

**APPENDIX A**  
**FISCAL IMPACT ANALYSIS**



## **APPENDIX A**

### **Detailed Tables**

Table A-1  
ABSORPTION SCHEDULE BY LAND USE

Land Use	Per Unit/ Net Acre Value	Cumulative Developed and Occupied Units/Net Acres			
	(000's)	2007	2008	2009	TOTAL
SINGLE FAMILY RESIDENTIAL UNITS					
Low (0 to 3 per Acre)	\$900	619	632	645	645
Low to Medium (3 to 6 per Acre)	\$600	784	789	794	794
TOTAL SINGLE FAMILY UNITS		1403	1421	1439	1439
MULTI FAMILY RESIDENTIAL UNITS	\$300	549	549	549	549
APARTMENTS	\$160	0	0	494	494
<b>POPULATION</b>		<b>5,954</b>	<b>6,009</b>	<b>7,570</b>	<b>7,570</b>
RETAIL COMMERCIAL ACRES	\$2,800	0.0	0.0	12.2	12.2
PARKS		15.2	15.2	15.2	15.2
PUBLIC USE		41.0	41.0	41.0	41.0
OPEN SPACE		135.7	135.7	135.7	135.7

Table A-2  
ASSESSED VALUE

Land Use	Per Unit/ Net Acre Value	Cumulative Assessed Value(000's)		
	(000's)	2007	2008	2009
SINGLE FAMILY RESIDENTIAL UNITS				
Low (0 to 3 per Acre)	\$900	\$ 557,100	\$ 568,800	\$ 580,500
Low to Medium (3 to 6 per Acre)	\$600	\$ 470,400	\$ 473,400	\$ 476,400
TOTAL SINGLE FAMILY UNITS		\$ 1,027,500	\$ 1,042,200	\$ 1,056,900
MULTI FAMILY RESIDENTIAL UNITS	\$300	\$ 164,700	\$ 164,700	\$ 164,700
APARTMENTS	\$160	\$ -	\$ -	\$ 79,040
RETAIL COMMERCIAL ACRES	\$2,800	\$ -	\$ -	\$ 34,160

Table A-3  
SECURED PROPERTY TAX REVENUE

2006 Budget				
For Secured Property Tax	\$19,193,563			
		Secured Property Tax Revenue (000s)		
<b>SECURED PROPERTY TAX REVENUES</b>		<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>TOTAL EASTLAKE VILLAGE III</b>				
Total Assessed Values		\$ 1,192,200	\$ 1,206,900	\$ 1,334,800
Tax Rate	1.0%	\$11,922	\$12,069	\$13,348
<b>Total Chula Vista Share</b>	<b>10.844%</b>	<b>\$1,292.8</b>	<b>\$1,308.8</b>	<b>\$1,447.5</b>

Table A-4  
UNSECURED PROPERTY TAX REVENUE

2006 Budget  
For Unsecured Property Tax \$840,000

UNSECURED PROPERTY TAX	Tax Per Acre	Unsecured Property Tax Revenue (000's)		
		2007	2008	2009
Commercial Uses	\$405	\$0.0	\$0.0	\$4.9
<b>Total Unsecured Property Tax</b>		<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.9</b>

Table 5  
ESTIMATED PROPERTY TRANSFER TAX REVENUES

2006 Budget  
For Property Transfer Tax \$2,407,777  
Residential Resale Ratio 0.00007857  
Commercial/Apartments Resale Ratio 0.00003929

Product	Resale Rate (Years)	Property Transfer Tax (000s)		
		2007	2008	2009
Total Single Family Units	7	\$80.7	\$81.9	\$83.0
Total Multi Family Units	7	\$12.9	\$12.9	\$12.9
Total Apartments	14	\$0.0	\$0.0	\$3.1
Total All Commercial Acres	14	\$0.0	\$0.0	\$1.3
<b>Total Property Transfer Tax</b>		<b>\$93.7</b>	<b>\$94.8</b>	<b>\$100.4</b>

Table A-6  
ESTIMATED SALES TAX REVENUES

FY2006 Budget  
For Sales Tax \$26,788,000

Land Use	Sales Tax Per Unit/Acre (000s)	City of Chula Vista's Share of Sales Tax (000s)		
		2007	2008	2009
Total Single Family Units	\$0.260	\$364.8	\$369.5	\$374.1
Total Multi Family Units	\$0.109	\$59.8	\$59.8	\$59.8
Total Apartments	\$0.082	\$0.0	\$0.0	\$40.5
Total Retail Commercial Acres	\$1.776	\$0.0	\$0.0	\$21.7
<b>Total Sales Tax</b>		<b>\$424.6</b>	<b>\$429.3</b>	<b>\$496.2</b>

Table A-7  
ESTIMATED FRANCHISE FEES

FY2006 Budget  
For Franchise Fees \$6,700,000

Land Use	Per Unit	Franchise Fee Revenue (000's)		
		2007	2008	2009
Total Single Family Units	\$33	\$46.3	\$46.9	\$47.5
Total Multi Family Units	\$33	\$18.1	\$18.1	\$18.1
Total Apartments	\$33	\$0.0	\$0.0	\$16.3
Total Commercial Acres	\$2,027	\$0.0	\$0.0	\$24.7
<b>Total Franchise Fees</b>		<b>\$64.4</b>	<b>\$65.0</b>	<b>\$106.6</b>



Table A-8  
ESTIMATED TRANSIENT OCCUPANCY TAX

FY2006 Budget				
For Transient Occupancy Tax		\$2,410,301		
Land Use	TOT per Unit/Net Acre	Transient Occupancy Tax (000's)		
		2007	2008	2009
Total Single Family Units	\$3	\$4.2	\$4.3	\$4.3
Total Multi Family Units	\$3	\$1.6	\$1.6	\$1.6
Total Apartments	\$3	\$0.0	\$0.0	\$1.5
Total Retail Commercial Acres	\$90	\$0.0	\$0.0	\$1.1
<b>Total TOT</b>		<b>\$5.9</b>	<b>\$5.9</b>	<b>\$8.5</b>

Table A-9  
ESTIMATED UTILITY TAX

FY2006 Budget				
For Utility Tax		\$6,400,000		
Land Use	Tax per Unit/Net Acre	Utility Tax Revenue (000's)		
		2007	2008	2009
Total Single Family Units	\$32	\$44.9	\$45.5	\$46.0
Total Multi Family Units	\$32	\$17.6	\$17.6	\$17.6
Total Apartments	\$32	\$0.0	\$0.0	\$15.8
Total All Commercial Acres	\$1,936	\$0.0	\$0.0	\$23.6
<b>Total Utility Tax</b>		<b>\$62.5</b>	<b>\$63.0</b>	<b>\$103.0</b>

Table A-10  
ESTIMATED BUSINESS LICENSE REVENUE

FY2006 Budget				
For Business License Tax		\$1,229,948		
Land Use	Average Business License Fee Per Acre	Business License Fees (000's)		
		2007	2008	2009
Total All Commercial Acres	\$795	\$0.0	\$0.0	\$9.7
<b>Total Business License Fees</b>		<b>\$0.0</b>	<b>\$0.0</b>	<b>\$9.7</b>

Table A-11  
ESTIMATED MISCELLANEOUS REVENUES

FY2006 Budget	Allocation of Budget			Per House Unit	Per Comm. Acre
	Total Budget	Residential	Commercial		
Animal License & Bicycle Licenses	\$108,677	\$108,677		\$1.46	
Motor Vehicle Licenses	\$16,800,000	\$16,800,000		\$225.18	
Gas Tax	\$3,858,091	\$3,375,830	\$366,519	\$45.25	\$303.7
Law Enforcement Fines	\$279,645	\$279,645		\$3.75	
Other Fines	\$411,565	\$411,565		\$5.52	
Parking Citations	\$574,183	\$430,637	\$109,095	\$5.77	\$90.4
Charges for Current Services					
Recreation Program	\$900,000	\$900,000		\$12.06	
Total Misc. Revenue	\$22,932,161	\$22,306,354	\$475,613		
	Per Unit/Acre			\$298.99	\$394.14

Land Use	Per Unit/Acre	Miscellaneous Revenue (000's)		
		2007	2008	2009
Total Single Family Units	\$299	\$419.5	\$424.9	\$430.3
Total Multi Family Units	\$299	\$164.2	\$164.2	\$164.2
Total Apartments	\$299	\$0.0	\$0.0	\$147.7
Total All Commercial Acres	\$394	\$0.0	\$0.0	\$4.8
<b>Total Miscellaneous Revenues</b>		<b>\$583.6</b>	<b>\$589.0</b>	<b>\$746.9</b>

Table A-12  
ESTIMATED LEGISLATIVE AND ADMINISTRATIVE EXPENDITURES

Legislative & Administrative				Estimated Cost (000's)		
				2007	2008	2009
Single Family Residential	\$	6.04	per du	\$ 8.5	\$ 8.6	\$ 8.7
Multi-Family Residential	\$	6.04	per du	\$ 3.3	\$ 3.3	\$ 3.3
Apartments	\$	6.04	per du	\$ -	\$ -	\$ 3.0
Population	\$	4.00	per person	\$ 23.8	\$ 24.0	\$ 30.3
Retail Commercial	\$	37.30	per acre	\$ -	\$ -	\$ 0.5
Parks				\$ -	\$ -	\$ -
Public Use				\$ -	\$ -	\$ -
Open Space				\$ -	\$ -	\$ -
Total Legislative & Administrative				\$ 35.6	\$ 35.9	\$ 45.8

Table A-13  
ESTIMATED DEVELOPMENT AND MAINTENANCE SERVICES EXPENDITURES

Development and Maintenance Services				Estimated Cost (000's)		
				2007	2008	2009
Single Family Residential	\$	66.27		\$ 93.0	\$ 94.2	\$ 95.4
Multi-Family Residential	\$	66.27		\$ 36.4	\$ 36.4	\$ 36.4
Apartments	\$	66.27		\$ -	\$ -	\$ 32.7
Population	\$	19.32		\$ 115.0	\$ 116.1	\$ 146.3
Retail Commercial	\$	4,802.27		\$ -	\$ -	\$ 58.6
Parks	\$	106.84		\$ 1.6	\$ 1.6	\$ 1.6
Public Use	\$	149.65		\$ 6.1	\$ 6.1	\$ 6.1
Open Space				\$ -	\$ -	\$ -
Total Development and Maintenance Services				\$ 252.1	\$ 254.4	\$ 377.1

Table A-14  
ESTIMATED POLICE SERVICES EXPENDITURES

Police				Estimated Cost (000's)		
				2007	2008	2009
Single Family Residential	\$	273.73		\$ 384.0	\$ 389.0	\$ 393.9
Multi-Family Residential	\$	273.73		\$ 150.3	\$ 150.3	\$ 150.3
Apartments	\$	273.73		\$ -	\$ -	\$ 135.2
Population	\$	7.19		\$ 42.8	\$ 43.2	\$ 54.4
Retail Commercial	\$	6,860.31		\$ -	\$ -	\$ 83.7
Parks	\$	2,140.94		\$ 32.5	\$ 32.5	\$ 32.5
Public Use	\$	2,140.94		\$ 87.8	\$ 87.8	\$ 87.8
Open Space				\$ -	\$ -	\$ -
Total Police				\$ 697.4	\$ 702.8	\$ 937.8

Table A-15  
ESTIMATED FIRE SERVICES EXPENDITURES

Fire		Estimated Cost (000's)		
		2007	2008	2009
Single Family Residential	\$ 176.70	\$ 247.9	\$ 251.1	\$ 254.3
Multi-Family Residential	\$ 176.70	\$ 97.0	\$ 97.0	\$ 97.0
Apartments	\$ 176.70	\$ -	\$ -	\$ 87.3
Population	\$ 1.17	\$ 7.0	\$ 7.0	\$ 8.9
Retail Commercial	\$ 2,538.77	\$ -	\$ -	\$ 31.0
Parks	\$ 132.27	\$ 2.0	\$ 2.0	\$ 2.0
Public Use	\$ 132.27	\$ 5.4	\$ 5.4	\$ 5.4
Open Space	\$ 132.27	\$ 17.9	\$ 17.9	\$ 17.9
Total Fire		\$ 377.2	\$ 380.4	\$ 503.8

Table A-16  
ESTIMATED CULTURAL AND LEISURE EXPENDITURES

Cultural and Leisure		Estimated Cost (000's)		
		2007	2008	2009
Single Family Residential	\$ 7.51	\$ 10.5	\$ 10.7	\$ 10.8
Multi-Family Residential	\$ 7.51	\$ 4.1	\$ 4.1	\$ 4.1
Apartments	\$ 7.51	\$ -	\$ -	\$ 3.7
Population	\$ 79.69	\$ 474.5	\$ 478.9	\$ 603.3
Parks		\$ -	\$ -	\$ -
Public Use		\$ -	\$ -	\$ -
Open Space		\$ -	\$ -	\$ -
Total Cultural and Leisure		\$ 489.1	\$ 493.7	\$ 621.9

Table A-17  
ESTIMATED OTHER NON-DEPARTMENTAL EXPENDITURES

Non-Departmental		Estimated Cost (000's)		
		2007	2008	2009
Population	\$ 9.39	\$ 55.9	\$ 56.4	\$ 71.1
Total Non-Departmental		\$ 55.9	\$ 56.4	\$ 71.1





**FISCAL IMPACT ANALYSIS  
OF THE EASTLAKE III**

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## **INTRODUCTION**

This analysis identifies the estimated fiscal impact that the Eastlake III development will have on the operation and maintenance budgets of the City of Chula Vista (general fund). Information pertaining to the scope of development was derived from the Eastlake III specific plan..

Two basic methodologies were utilized in estimating public agency revenues and expenditures; the case study and per unit/acre multiplier methods. The case study method was used to estimate secured property tax. The case study method is based on specific characteristics of the project from which revenues can be estimated. Appropriate city officials were contacted to identify actual tax rates. The per unit/acre multiplier method, which represents a more general approach was utilized to estimate unsecured property tax, sales tax, TOT, property transfer tax, utility tax, license fees, fines, other revenues and fees and all expenditures. The City of Chula Vista's Fiscal Model was utilized to estimate per unit/acre multipliers.

Future revenues and expenditures are presented in current (2007) dollars. The development absorption schedule is based on information provided by the City as well as estimations on future absorption made by CIC.

## **PROJECT DESCRIPTION**

The Eastlake III Project is proposed to be developed in the City of Chula Vista and will have 1439 single family residential units, 549 multi-family residential units, 494 apartments, 12.2 retail commercial acres, 15.2 acres of parks and approximately 41 acres of quasi public space..

Presented in Table 1 is a description of the land uses and projected absorption schedule. For the purpose of this analysis, absorption represents new units being sold and occupied.

Housing market values were determined by analyzing current assessed value for residential units in the project that have already been sold. These ranged from \$300,000 to over \$900,000. The values used in the table represent a conservative estimate of the unit price for each of the types of land uses in the development.

## **PROJECT DEMOGRAPHICS AND LAND USES**

In developing per unit/acre multipliers for expenditures, CIC utilized demographic and land use information related to the City of Chula Vista as a whole and, more specifically, the subject Eastlake III Project. Included in Table 2 are population, housing, land-use and infrastructure characteristics.

Table 1  
**EASTLAKE III DEVELOPMENT**  
**ABSORPTION SCHEDULE AND MARKET VALUES BY LAND USE**

Land Use	Per Unit/ Net Acre Value (000's)	Cumulative Developed and Occupied Units/Net Acres			
		2007	2008	2009	TOTAL
SINGLE FAMILY RESIDENTIAL UNITS					
Low (0 to 3 per Acre)	\$900	619	632	645	645
Low to Medium (3 to 6 per Acre)	\$600	784	789	794	794
TOTAL SINGLE FAMILY UNITS		1403	1421	1439	1439
MULTI FAMILY RESIDENTIAL UNITS					
APARTMENTS	\$300	549	549	549	549
	\$160	0	0	494	494
RETAIL COMMERCIAL ACRES					
	\$2,800	0.0	0.0	12.2	12.2
PARKS					
		15.2	15.2	15.2	15.2
PUBLIC USE					
		41.0	41.0	41.0	41.0

Source: Brookfield Homes,  
CIC Research, Inc.

Table 2  
**EASTLAKE III PROJECT FISCAL IMPACT  
 GENERAL ASSUMPTIONS**

<b>Chula Vista</b>		<b>Sources</b>
Population	227,723	Chula Vista Budget
Occupied Housing Units	74,606	Chula Vista Budget
Persons Per Household	3.05	Chula Vista Budget
Median Housing Price	\$297,000	U.S. Census Bureau
Median Monthly Rent	\$1,053	U.S. Census Bureau
Land Uses (Developed Acres)		
Commercial	1,206.70	CV Planning
Industrial	867.50	CV Planning
Residential	8,226.81	CV Planning
Park	1,708.42	CV Planning
<b>Eastlake III Project</b>		
Estimated Population	7,570	CIC Research, Inc
Housing Units	2,482	CV Planning
Estimated Median Housing Price	\$600,000	CIC Research, Inc
Estimated Monthly Rent	\$1,600	CIC Research, Inc

## **REVENUES**

Operating revenues for the City of Chula Vista resulting from the development of the proposed Eastlake III Project are estimated in this section. The major revenue sources which are expected to be generated from the subject developments and detailed in this chapter include property tax, property transfer tax, sales tax, franchise fees, TOT, utility tax, license revenue, miscellaneous fines, motor vehicle license fees, gas tax and charges for various current services. The City of Chula Vista's Budget (FY 2006) for these revenue items is detailed in Table 3 along with allocation rates. The following section details each of the revenue sources and the methodology employed to estimate revenues from the subject developments. For each identified revenue source, a detailed table reflecting the revenue flow of the project is presented in the Appendix of this report. All dollar figures are presented in 2007 dollars.

Table 3  
**EASTLAKE III PROJECT FISCAL IMPACT  
REVENUE GENERATION ASSUMPTIONS**

<b>Revenues</b>	<b>City of Chula Vista FY2006 Revenues</b>	<b>Allocation Assumption</b>
<b>Property Taxes</b>		
Secured	\$19,193,563	Based on 10.844% of 1% of TAV
Un-Secured	840,000	\$405 per commercial acre
<b>Other Taxes</b>		
Property Transfer Tax	\$2,407,777	Annual Avg. \$.078 per \$1,000 of assessed value for residential and \$.039 per \$1,000 of assessed value for commercial and apartments
Sales & Use Tax	26,788,000	\$293 per housing unit for single family, \$122 per housing unit for multi-family residential, \$92 per housing unit for apartments, \$1,776 per commercial acre
Franchise Fees	6,700,000	\$33 per housing unit, \$2,027 per commercial acre
TOT	2,410,301	\$3 per housing unit, \$90 per commercial acre
Utility Tax	6,400,000	\$32 per housing unit, \$1,936 per commercial acre
<b>Licenses</b>		
Business License	\$1,229,948	\$795 per commercial acre
Other Licenses	108,677	\$1.46 per housing unit

Table 3 (continued)  
**EASTLAKE III PROJECT FISCAL IMPACT  
 REVENUE GENERATION ASSUMPTIONS**

<b>Revenues</b>	<b>City of Chula Vista FY2006 Revenues</b>	<b>Allocation Assumption</b>
<b>Fines</b>		
Law Enforcement	\$279,645	\$3.75 per housing unit
Parking Citations	574,183	\$5.77 per housing unit, \$90.40 per commercial acre
Other Fines	411,565	\$5.52 per housing unit
<b>Revenues from other Agencies</b>		
Gas Tax	\$3,858,091	\$45.25 per housing unit, \$303.70 per commercial acre
<b>Charges for Current Service</b>		
Recreation	\$900,00	\$12.06 per housing unit
<b>Other Revenues</b>		
Vehicle Licenses Fees	\$16,800,000	\$225.18 per housing unit

### **Secured Property Tax**

Secured property tax revenues generated from the proposed developments were calculated on the basis of a one- percent tax rate on the current market value of the residential and commercial construction. According to the County of San Diego, the City of Chula Vista would receive 10.844 percent of the one-percent of the property taxes collected in those tax rate areas. It should be noted that the citywide average share of property tax is roughly 14.7 percent.

As previously mentioned, market values (assessed values) for the residential units were estimated by examining property tax records by selecting random properties already sold, while the market values for the apartment and retail land uses were estimated using recent property purchases in the region. Although assessed values increase two percent per year and readjust after the property resells, this analysis assumes no inflation and all values remain in 2007 dollars. Included in Tables A-2 in the appendix is the cumulative assessed value over the build-

out of the developments. Total assessed values for Eastlake III Project is estimated to be \$1.192 billion currently and increase to \$1.335 billion at build-out.

The City of Chula Vista's share of the collected annual property tax is estimated to be \$1.3 million in the first year rising to \$1.5 million (Table A-3) at build-out.

### **Unsecured Property Tax**

Unsecured property, which includes personal property such as equipment, inventory, furniture, etc. is taxed for primarily commercial and industrial businesses. It is estimated that \$4,900 in unsecured property taxes are expected to be generated by the project at buildout.

### **Property Transfer Tax**

Sales of real property in San Diego County are taxed at a rate of \$1.10 per \$1,000 of the sales price. Chula Vista would receive 50 percent of the tax. An analysis conducted by the San Diego Association of Governments (SANDAG) indicates that the average turnover rate for residential property is once every seven years and once every 14 years for nonresidential property. The following formulas, which take both the transfer tax formula and the average turnover rate into account, were utilized to yield average annual per unit property transfer tax.

Single Family Residential	$\frac{$.55}{\$1,000} \times 1/7$	=	.00007857
Commercial/Industrial	$\frac{$.55}{\$1,000} \times 1/14$	=	.00003929

Using these formulas, an estimated annual average property tax can be calculated. The Eastlake III development would generate \$100,400 (refer to Table A-5) in average, annual property transfer tax at build-out.

### **Sales Tax**

This fiscal impact methodology estimates the sales tax generated by residential units and commercial businesses that create new demand. Per household sales taxes were estimated by imputing the household income based on the cost of housing. Average household income for those purchasing residential units is projected to be between approximately \$60,000



and \$190,000 based on mortgage payments comprising 29% of gross income. Rents are expected to average \$1,600 per month requiring an income of \$56,000 based on 34% of income used for rent. Utilizing the Consumer Expenditure Survey of the U. S. Bureau of Labor Statistics, the amount of taxable sales is estimated to be 23% or between \$12,000 and \$39,000 per household for the different housing categories. Conservatively 66.7 percent of those taxable sales would be expected to be spent in Chula Vista. Therefore it is estimated that each household would generate between \$82 and \$260 per household (refer to Table A-6) in sales taxes annually for the City of Chula Vista. This amount includes the property tax shift the State reimburses the City for the loss of sales taxes. Total annual sales tax generated by Eastlake III at build out is estimated to be \$496,200.

### **Franchise Fees**

The City of Chula Vista receives a franchise tax fee from sales of natural gas, electricity, cable television and trash collection. Using the sale of gas and electricity as a guideline and based on a study prepared by San Diego Gas and Electric (SDG&E), 37 percent of the franchise fees are attributed to residential uses, 36.5 percent to retail/office uses and the remaining 26.5 percent is attributed to industrial uses. Using these guidelines, the city budget, area demographics and land use information results in an estimated \$33 in annual franchise fees per housing unit and \$2,027 per commercial acre. Utilizing these ratios results in a total annual franchise fee of \$64,400 in the 2007 and \$106,600 at build-out for Eastlake III (see Table A-7).

### **Transient Occupancy Tax**

Transient occupancy tax (TOT) is a tax added to the price charged for the use of a hotel or motel room. The majority of the tax is associated with new hotel developments. Since there is no planned hotel/motel development in this project, TOT would be generated by the demand Chula Vista residents create for local hotels/motels. The San Diego Convention and Visitors Bureau estimates that of all visitors who stay in hotels and motels eight percent are visiting

friends or relatives and an additional nine percent are here for non-convention business. Utilizing the City's budget for TOT of \$2,410,301 results in multiplier ratios of roughly \$3 per household and \$90 per commercial acre. Using this ratio the City of Chula Vista will receive at build-out a total annual TOT tax of \$8,500 associated with the Eastlake III (refer to Table A-8).

### **Utility Users' Tax**

The City of Chula Vista's FY2006 budget for utility taxes is \$6,400,00. These taxes are paid by the residents and businesses on gas, electric and telephone services. CIC utilized the same methodology for utility taxes and franchise fees. Using the land use allocation of 37 percent residential uses, 36.5 percent to retail/office uses and 26.5 percent to industrial uses, results in an estimated \$32 in annual utility tax per housing unit and \$1,936 per commercial acre. These ratios result in a total annual utility tax of \$62,500 in the first year rising to \$103,000 at build-out (refer to Table A-9).

### **Business License Fees**

Business license fees are allocated for commercial and industrial uses. On average, the City receives \$795 per year per acre of commercial land in business taxes. At build-out, Eastlake III should generate \$9,700 per year (Table A-10).

### **Miscellaneous Revenues**

CIC grouped numerous revenues into the category of miscellaneous. These revenues include: animal licenses, bicycle licenses, motor vehicle licenses, library fines, parking citations, swimming pool fees, recreation programs and park reservation fees. With the exception of gas tax and parking citations, all the revenues are assumed to be allocated entirely to residential uses. For these revenues, multipliers were developed by dividing the total revenues by the total number of citywide occupied housing units and commercial acreage. Total miscellaneous revenues attributed to Eastlake III are \$746,900 per year at build-out (refer to Table A-11). The allocation of gas tax and parking citations was calculated as follows:

### **Gasoline Tax**

Gasoline tax revenue accrues on the basis of a complicated formula utilizing county to state and incorporated to unincorporated portion of population. According to the City of San Diego's "Fiscal Impact of New Development" and the Department of Motor Vehicle's auto registration records, an estimated 50 percent is attributed to residential uses and the remaining 50 percent is allocated based on vehicle registration (75% residential, 19% commercial and 6% industrial).

### **Parking Citations**

Parking violation revenues were allocated by vehicle registration classification as estimated by the Department of Motor Vehicles (75% residential, 19% commercial and 6% industrial).

### **OPERATING EXPENDITURES**

Operating expenditures for the City of Chula Vista resulting from development of the Eastlake III are outlined in this section. CIC utilized the cost factors developed by Economic Research Associates (ERA) and the City of Chula Vista Finance Department. Table 4 presents those cost factors. Detailed tables reflecting the annual expenditure cash flows are presented in the appendix to this report.

Table 4  
**EASTLAKE III PROJECT FISCAL IMPACT**  
**COST ALLOCATION ASSUMPTIONS**

	Population (Per person)	Retail (Per Acre)	Office (Per Acre)	Hotel (Per Acre)	Industrial (Per Acre)	Residential (Per DU)	Private Parks (Per Acre)	Public Parks (Per Acre)	Public Use (Per Acre)	Open Space (Per Acre)	Other (Per Acre)
Legislative & Administrative											
City Council	\$ 1.87										
Boards and Commissions											
City Clerk	\$ 0.72										
City Attorney		\$ 37.30	\$ 40.28	\$ 23.84	\$ 9.84	\$ 5.64					
Administration	\$ 0.08					\$ 0.40					
Management and Information serv	\$ 1.33										
Human Resources	\$ -										
Finance	\$ -										
<b>Total Legislative &amp; Administrative</b>	<b>\$ 4.00</b>	<b>\$ 37.30</b>	<b>\$ 40.28</b>	<b>\$ 23.84</b>	<b>\$ 9.84</b>	<b>\$ 6.04</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Development and Maintenance Services											
Community Development	\$ 0.82	\$ 906.12	\$ 978.61	\$ 579.20	\$ 239.01	\$ 8.00					\$ 8.32
Planning and building services	\$ 1.32	\$ 106.60	\$ 114.59	\$ 70.54	\$ 33.02	\$ 15.92					\$ 15.71
Engineering		\$ 1,245.44	\$ 659.35	\$ 293.05	\$ 124.54	\$ 13.92		\$ 76.91			\$ 76.91
Public Works Operations		\$ 2,544.11	\$ 1,346.88	\$ 598.61	\$ 254.41	\$ 28.43		\$ 29.93	\$ 149.65		\$ 149.65
General Services	\$ 17.18										
<b>Total Development and Maintenance Services</b>	<b>\$ 19.32</b>	<b>\$ 4,802.27</b>	<b>\$ 3,099.43</b>	<b>\$ 1,541.40</b>	<b>\$ 650.98</b>	<b>\$ 66.27</b>	<b>\$ -</b>	<b>\$ 106.84</b>	<b>\$ 149.65</b>	<b>\$ -</b>	<b>\$ 250.59</b>
Public Safety											
Police	\$ 7.19	\$ 6,860.31	\$ 6,860.31	\$ 6,860.31	\$ 916.58	\$ 273.73	\$ 822.48	\$ 2,140.94	\$ 2,140.94		\$ 2,140.94
Fire	\$ 1.17	\$ 2,538.77	\$ 2,538.77	\$ 2,538.77	\$ 313.56	\$ 176.70	\$ 132.27	\$ 132.27	\$ 132.27	\$ 132.27	\$ 132.27
<b>Total Public Safety</b>	<b>\$ 8.36</b>	<b>\$ 9,399.08</b>	<b>\$ 9,399.08</b>	<b>\$ 9,399.08</b>	<b>\$ 1,230.14</b>	<b>\$ 450.43</b>	<b>\$ 954.75</b>	<b>\$ 2,273.21</b>	<b>\$ 2,273.21</b>	<b>\$ 132.27</b>	<b>\$ 2,273.21</b>
Cultural and Leisure											
Recreation	\$ 24.60										
Library	\$ 55.09										
Nature Centre						\$ 7.51					
<b>Total Cultural and Leisure</b>	<b>\$ 79.69</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7.51</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Non-Departmental Operations	\$ 9.39										
<b>Total Non-Departmental</b>	<b>\$ 9.39</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Cost Factor Citywide</b>	<b>\$ 120.76</b>	<b>\$ 14,238.65</b>	<b>\$ 12,538.79</b>	<b>\$ 10,964.32</b>	<b>\$ 1,890.96</b>	<b>\$ 530.25</b>	<b>\$ 954.75</b>	<b>\$ 2,380.05</b>	<b>\$ 2,422.86</b>	<b>\$ 132.27</b>	<b>\$ 2,523.80</b>

Source: City of Chula Vista, Budget Analysis  
Economic Research Associates  
October, 2007

### **Legislative and Administration**

The cost for the City Council, various boards and commissions, the City Clerks office, the City Attorney's office and general city administration make up the legislative and administration cost center. Based on the City's and ERA's analysis, the cost for the Eastlake III project is allocated at a rate of \$37.40 per commercial retail acre, \$6.04 per dwelling unit and \$4.00 per person. Table A-12 in the appendix shows annual legislative and administration expenditures for the development of \$45,800 at build-out.

### **Development and Maintenance Service**

Development and Maintenance Services include community development, planning and building services, engineering, and public works operations. Residential land uses are allocated costs of \$66.27 per dwelling, \$4,802.27 per commercial acre, \$106.84 per park acre and \$149.65 per acre of public use. Residential populations are allocated an additional \$19.32 per capita in costs. These multipliers translate into Development and Maintenance Services costs of \$377,100 for the finished project (refer to Table A-13).

### **Police**

Police services costs are allocated to all land uses. Residential land uses are allocated on the basis of \$273.73 per dwelling unit with an additional allocation of \$7.19 per capita for the residential population. Retail land uses are allocated police costs of \$6,860.31 per acre and parks and public use land allocated \$2,140.94 in police costs per acre. Total police costs at build-out is estimated to be \$937,800 (refer to Table A-14)

### **Fire Protection**

Fire costs are \$176.70 per dwelling unit for residential land uses, \$2,538.77 per acre of commercial land, and \$132.27 per acre for parks, public use and open space. An additional \$1.17 per capita is allocated to the residential population. These ratios result in annual fire protection costs of \$503,800 for the Eastlake III Project (refer to Table A-15) at build-out.

### **Cultural and Leisure**

Based on the City of Chula Vista model, cultural and leisure costs are only allocated to residential development. This sector is made up of the costs associated with the recreation department, the library, and the nature center. For the Eastlake III Project residents were assessed \$7.51 per dwelling unit and \$79.69 per capita to determine their cultural and leisure costs. The total cost at build-out is estimated to be \$621,900 (Table A-16).

### **Other Non-Departmental**

Other non-departmental costs are assigned to residential development at a rate of \$9.39 per capita. Total costs for the Eastlake III Project is \$71,100 (Table A-17).

### **NET FISCAL IMPACT**

Utilizing the previously mentioned methodologies estimated net fiscal impacts are presented in Tables 5. As previously mentioned, all values are in 2007 dollars. No annual adjustments to revenues or costs were utilized. The estimated annual flows of costs and revenues are primarily related to the estimated project absorption.

Table 5 presents the results of the fiscal impact associated with the Eastlake III Project. Fiscal revenues would begin at \$2.6 million annually and rise to \$3.0 million at build-out. Fiscal expenditures would be initially 1.9 million and rise to \$2.6 million at build-out. The net fiscal impact from developing the Eastlake III is positive through-out the development and at build-out results in a surplus of with a surplus of \$466,300.

Table 5

**NET FISCAL IMPACT OF THE EASTLAKE III PROJECT  
ON THE CITY OF CHULA VISTA**

Revenue Sources	Revenues (In Thousands)		
	2007	2008	2009
Secured Property Tax	\$1,292.8	\$1,308.8	\$1,447.5
Unsecured Property Tax	0.0	0.0	4.9
Property Transfer Tax	93.7	94.8	100.4
Sales & Use Tax	424.6	429.3	496.2
Franchise Tax	64.4	65.0	106.6
TOT Tax	5.9	5.9	8.5
Utility Tax	62.5	63.0	103.0
Business License	0.0	0.0	9.7
Miscellaneous Revenues	583.6	589.0	746.9
<b>TOTAL REVENUES</b>	<b>\$2,527.5</b>	<b>\$2,555.9</b>	<b>\$3,023.8</b>

Expenditure Sources	Expenditures (In Thousands)		
	2007	2008	2009
Legislative & Administrative	\$ 35.6	\$ 35.9	\$ 45.8
Development and Maintenance Services	252.1	254.4	377.1
Police	697.4	702.8	937.8
Fire	377.2	380.4	503.8
Cultural and Leisure	489.1	493.7	621.9
Non-Departmental	55.9	56.4	71.1
<b>TOTAL EXPENDITURES</b>	<b>\$1,907.3</b>	<b>\$1,923.6</b>	<b>\$2,557.5</b>

	2007	2008	2009
TOTAL REVENUES	\$2,527.5	\$2,555.9	\$3,023.8
TOTAL EXPENDITURES	\$1,907.3	\$1,923.6	\$2,557.5
<b>NET FISCAL IMPACT</b>	<b>\$620.3</b>	<b>\$632.3</b>	<b>\$466.3</b>

Source: CIC Research, Inc.

# **PUBLIC FACILITIES FINANCE PLAN**

## **EastLake III Sectional Planning Area (SPA)**

**Adopted July 17, 2001**

by Resolution No. 2001-220

*Prepared by:*

*PFFP*

**MuniFinancial**

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**CITY OF CHULA VISTA,  
CALIFORNIA**

**EASTLAKE III SPA  
PUBLIC FACILITIES FINANCE PLAN**

**CITY COUNCIL**

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Mayor

Stephen C. Padilla  
Patty Davis

Jerry R. Rindone  
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SUBMITTED  
June 20, 2001



## Eastlake III Public Facilities Finance Plan

The Eastlake III PFFP has been reviewed for accuracy by the responsible department or agency as indicated below.

<u>SECTION</u>	<u>DEPARTMENT</u>
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4.4 Facility Analysis	
4.4.1 Traffic.....	Public Works Department
4.4.2 Police .....	Police Department
4.4.3 Fire and EMS .....	Fire Department
4.4.4 Schools .....	Chula Vista Elementary School District Sweetwater Union High School District
4.4.5 Libraries .....	Library Department
4.4.6 Parks, Trails and Open Space .....	Parks and Recreation Department
4.4.7 Water .....	Otay Water District
4.4.8 Sewer.....	Public Works Department
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4.4.10 Air Quality .....	Contained in SPA Plan
4.4.11 Civic Center .....	City Manager's Office
4.4.12 Corporation Yard.....	City Manager's Office
4.4.13 Other Public Facilities .....	City Manager's Office
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# EXECUTIVE SUMMARY



## 4.1 EXECUTIVE SUMMARY

### 4.1.1 Overview

This Public Facilities Finance Plan (PFFP) has been prepared under the requirements of the City of Chula Vista's Growth Management Program and Implementation Ordinance No. 2448. The preparation of the PFFP is required in conjunction with the preparation of the Sectional Planning Area (SPA) Plan to ensure that the phased development of the project is consistent with the overall goals and policies of the City's General Plan, Growth Management Program, and the Eastlake III General Development Plan first adopted in 1990 and soon to be amended with approval of the revised GDP and SPA Plan in order for the development of the project not to adversely impact the City's Quality of Life Standards. This PFFP meets the policy objectives of the Eastlake III GDP.

The PFFP is based upon the phasing presented in the Eastlake III Sectional Planning Area (SPA) Plan dated February 20, 2001. The Eastlake III project is proposed to be developed in three phases. The PFFP begins by analyzing the existing demand for facilities based upon the demand from existing development and those projects with various entitlements through the year 2005. The list of forecasted projects is used for analytical purposes only. Then, the PFFP uses the phasing as contained in the SPA Plan to determine the impacts associated with each phase of the project.

When specific thresholds are projected to be reached or exceeded based upon the analysis of the phased development of the Eastlake III project, the PFFP provides the mitigation necessary for the continued compliance with the Growth Management Program and Quality of Life Standards. The PFFP does not propose different development phasing from that identified in the SPA Plan, but may indicate that the development phasing should be limited or reduced until certain actions are taken to guarantee public facilities will be available or provided to meet the demands of the project. Some differences in development phasing and timing of facilities in the traffic section of the PFFP was necessary due to the analytical methodologies used in the technical studies for this facility. Subsequent changes to the phasing shall require an amendment to the PFFP as prescribed in Chapter 19.09.100 of the Chula Vista Municipal Code. However, minor changes or updates to the PFFP plans and statistics may be approved, providing the Director of Planning and Building, and City Engineer determine that the minor changes have been approved as part of other entitlement process, or that changes in plan and statistics do not alter the Adopted City Threshold Standards.

As an applicant receives each succeeding development approval, the applicant must perform required steps leading to the timely provision of the required facility. Failure to perform the required step curtails additional development. The concept is illustrated below:

#### **Performance of Facility Thresholds**

- |            |   |
|------------|---|
| <b>GDP</b> | <ul style="list-style-type: none"><li>• Goals, objectives &amp; policies established.</li><li>• Facility thresholds established.</li><li>• Processing requirements established.</li></ul> |
|------------|---|



- SPA/PFFP**
  - Facility financing refined and funding source identified consistently with GDP goals, objectives & policies.
  - Facility demand and costs calculated consistently with adopted land uses and GDP defined methodologies.
  - Specific facility financing and phasing analysis performed to assure compliance with Growth Management Thresholds.
  - Facilities sited and zoning identified.
  
- TENTATIVE MAP**
  - Subdivision approval conditioned upon assurance of facility funding.
  - Subdivision approval conditioned upon payment of fees, or the dedication, reservation or zoning of land for identified facilities.
  - Subdivision approval conditioned upon construction of certain facility improvements.
  
- FINAL MAP**
  - Tentative Map conditions performed.
  - PAD Fees paid.
  - Lots created.
  
- BUILDING PERMIT**
  - Impact fees paid as required.

The critical link between impacts of the project, thresholds and development entitlements is the Public Facilities Finance Plan. Section I.11 of the GDP, General Development Plan Implementation, imposes the preparation of Public Facility Financing and Phasing Plans as a condition of approval of all SPAs. This PFFP satisfies the GDP requirement. The PFFP requires the preparation and approval of phasing schedules showing how and when facilities and improvements necessary to serve proposed development will be installed or financed to meet the impacts of the project and threshold standards, including:

- An inventory of present and future requirements for each facility.
- A summary of facilities cost.
- A facility phasing schedule establishing the timing for installation or provisions of facilities.
- A financing plan identifying the method of funding for each facility required.

Subsection C of Municipal Code Section 19.09.100 (Growth Management Ordinance) requires that if the City Manager determines that facilities or improvements within a PFFP are inadequate to accommodate any further development within that area the City Manager shall immediately report the deficiency to the City Council. If the City Council determines that such events or changed circumstances adversely affect the health, safety or welfare of City, the City may require amendment, modification, suspension, or termination of an approved PFFP.

## **General Conditions for Eastlake III Public Facilities Finance Plan**

1. All development within the boundaries of the PFFP for Eastlake III shall conform to the provisions of Section 19.09 of the Chula Vista Municipal Code (Growth Management Ordinance) and to the provisions and conditions of this Public Facilities Financing Plan.
2. All development within the boundaries of the PFFP for Eastlake III shall be required to pay development impact fees for public facilities, transportation and other applicable fees pursuant to the most recently adopted program by the City Council, and as amended from time to time. Development within the boundaries of Eastlake III shall also be responsible for fair share proportionate fees that are necessary to meet the adopted facility performance standards as they relate to the SPA Plan.
3. The Public Facilities Financing Plan shall be implemented in accordance with Chula Vista Municipal Code 19.09.090. Future amendments shall be in accordance with CVMC 19.09.100 and shall incorporate newly acquired data, to add conditions and update standards as determined necessary by the City through the required monitoring program. Amendment of this Plan may be initiated by action of the Planning Commission, City Council or property owners at any time. Any such amendments must be approved by the City Council.
4. Approval of this PFFP does not constitute prior environmental review for projects within the boundaries of this Plan. All future projects within the boundaries of this PFFP shall undergo environmental review as determined appropriate by the City of Chula Vista.
5. Approval of this PFFP does not constitute prior discretionary review or approval for projects within the boundaries of the Plan. All future projects within the boundaries of the Eastlake III PFFP shall undergo review in accordance with the Chula Vista Municipal Code. This PFFP analyzes the maximum allowable development potential for planning purposes only. The approval of this plan does not guarantee specific development densities.
6. The facilities and phasing requirements identified in this PFFP are based on the Eastlake III SPA Plan which assumes that 2,061 dwelling units and 30.7 acres of commercial development will be constructed. If fewer units are actually constructed, facility and phasing requirements may be adjusted proportionately as determined appropriate by the City of Chula Vista.
7. The plan analysis is based upon the phasing presented in this document. Generally, any change to phasing requires an amendment to the PFFP. However, minor changes or updates to the PFFP plans and statistics may be approved, providing the Director of Planning and Building, and City Engineer determine that the minor changes have been approved as part of other entitlement process, or that changes in plan and statistics do not alter the Adopted City Threshold Standards.

## **Public Facility Cost and Fee Summary Eastlake III SPA**

The following tables identify and summarize the various facility costs associated with development of the Eastlake III project. The facilities and their costs are identified in detail in subsections to Section 4.4 of this Public Facilities Finance Plan. The tables indicate a recommended financing alternative based upon current City practices and policies. However, where another financing mechanism may be shown at a later date to be more effective, the City may implement such other mechanisms in accordance with City policies. This will allow the City maximum flexibility in determining the best use of public financing to fund public infrastructure improvements.

The traffic study and resulting analysis has identified several projects that will be required as the result of the development of Eastlake III. Development of Eastlake III will require the construction of Otay Lakes Road as a six-lane Prime Arterial from Hunte Parkway to the Vistas entrance and construct ultimate improvements along Otay Lakes Road's southerly side from the Vistas entrance to Wueste Road. Otay Lakes Road will also need to be widened to a six-lane Prime Arterial between East H Street and Telegraph Canyon Road or intersection improvements will need to be constructed on Otay Lakes Road to the satisfaction of the City Engineer in the event the construction of SR-125 is delayed. The project will also require the construction of Proctor Valley Road as a four-lane Major Arterial along the northerly frontage of the Woods Neighborhood and the construction of Olympic Parkway as a six-lane Prime Arterial between SR-125 and Hunte Parkway. The total cost of these four TDIF eligible roadways is approximately \$17,612,000. Transportation DIF Fees generated by the Eastlake III SPA Plan total \$15,758,689. Fees are also generated for Pre-SR-125 facilities (\$2,130,606) and for traffic signals (\$325,052).

The Eastlake III project is anticipated to require one elementary school that will be constructed on a 14.3-acre site with funding through a Mello-Roos Community Facilities District (CFD) already established by the Chula Vista Elementary School District. A junior high/middle school will be constructed on a 25.1-acre site with funding from an existing Sweetwater Union High School District CFD.

Backbone sewer, drainage and water improvements will be funded, in part, through the payment of impact fees and capacity fees established for these purposes. On-site facilities will be funded by the developer.

Parks, trails and open space will be funded, in part, through the payment of Park Acquisition and Development Fees (PAD fees), dedication, and developer exactions. The Eastlake III SPA Plan will generate approximately \$9,499,351 in potential PAD fee revenues. The Project proposes a 10.92 net acre (13.5 gross acres) public neighborhood park and a 1.7 acre private park. In addition, the project will pay a fee of \$1,600,000 for the purchase of 5.6 acres needed to expand the Salt Creek Community Park adjacent to the Woods Neighborhood in accordance with the Park Agreement dated December 19, 2000, in addition with other requirements set forth in the Agreement. Parkland *development* fees are required on the 5.6 acres. The Project's park demand is 18.25 acres. The applicant has an opportunity to dedicate the 13.5 gross acres in lieu of paying the *acquisition* component of the PAD fees.

Police, fire and emergency medical services, library, civic center, corporation yard, other public facilities, and DIF program administration will be funded, in part, from revenues generated from the payment of Public Facilities Development Impact Fees at building permit issuance. These fees total approximately \$5,882,381 for the Eastlake III SPA.

Altogether, the City's development impact fees by phase and facility for the Eastlake III SPA Plan total \$34,306,320 as shown in Table 1, below.

<b>Facility</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Totals</b>
<b>Transportation DIF</b>	\$5,794,501	\$5,309,301	\$4,654,887	\$15,758,689
<b>Pre SR-125 DIF</b>	\$783,428	\$717,828	\$629,350	\$2,130,606
<b>Traffic Signal DIF</b>	\$134,645	\$90,532	\$99,775	\$325,052
<b>Salt Creek Sewer DIF</b>	\$357,514	\$265,542	\$87,188	\$710,241 <sup>1</sup>
<b>Drainage</b>				\$0 <sup>2</sup>
<b>Water</b>				\$0 <sup>3</sup>
<b>Police (PFDIF)</b>	\$796,299	\$742,350	\$112,822	\$1,651,471
<b>Fire/EMC (PFDIF)</b>	\$219,930	\$205,030	\$31,160	\$456,120
<b>Schools</b>				\$0 <sup>4</sup>
<b>Library (PFDIF)</b>	\$691,209	\$644,380	\$97,933	\$1,433,522
<b>Parks (PAD Fees-D)</b>	\$2,864,088	\$2,660,878	\$0	\$5,524,966
<b>Parks (PAD Fees-A)</b>	\$2,061,540	\$1,912,845	\$0	\$3,974,385
<b>Civic Center (PFDIF)</b>	\$520,032	\$484,800	\$73,680	\$1,078,512
<b>Corp. Yard (PFDIF)</b>	\$418,192	\$389,860	\$59,251	\$867,303
<b>Other Facilities (PFDIF)</b>	\$45,502	\$42,420	\$6,447	\$94,369
<b>Admin. (PFDIF)</b>	\$145,175	\$135,340	\$20,569	\$301,084
<b>Total Fees</b>	<b>\$14,832,055</b>	<b>\$13,601,106</b>	<b>\$5,873,062</b>	<b>\$34,306,320</b>

Sources: MuniFinancial calculations from PFFP tables.

- 1 Salt Creek Sewer Basin and Telegraph Canyon Sewer Basin (Pumped Flows) development impact fees in place. New Poggi Canyon Pumped Sewer DIF may be in place prior to 1<sup>st</sup> Final Map.
- 2 No City-imposed Development Impact Fee program in place for this facility.
- 3 No City-imposed Development Impact Fee program in place for this facility.
- 4 No City-imposed Development Impact Fee program in place for this facility.

<b>Table 2 Timing And Funding Source By Facility</b>			
<b>Facility</b>	<b>Funding Source</b>	<b>Timing</b>	
<b>Traffic</b>		<b>Project</b>	<b>Cumulative</b>
Construct Otay Lakes Road as a six-lane prime arterial between Hunte Parkway and Vistas entrance.	Developer/TDIF	Ph 1 @ 1 <sup>st</sup> DU in the Vistas	1 DU
Construct Olympic Parkway as a six-lane prime arterial between SR-125 and Hunte parkway.	Developer/TDIF	Ph 1 @ 1 <sup>st</sup> DU	1 DU
Construct Proctor Valley Road as a four-lane major arterial along the northerly frontage of the Woods.	Developer/TDIF	Ph 1 @ 547 DU in the Woods	547 DU
Widen Otay Lakes Road to a six-lane prime arterial between East H Street and Telegraph Canyon Rd. or make approved intersection improvements.	Developer/TDIF	Ph 2 @ 1,259 DU	1,259 DU
Construct Otay Lakes Road as a transitional six-lane prime arterial between the Vistas SPA entrance and Wueste Road.	Developer/TDIF	Ph 2 @ 1,341 DU in the Vistas	1,341 DU
<b>On-Site Sewer</b>	Developer Build	Concurrent with phasing	
<b>Off-Site Sewer</b>		Building Permit	
Salt Creek Basin Fees	Developer/Impact Fees	948 Cum. Project EDUs (1) 3,770 Cum. Project EDUs (1) 1,694 Cum. Project EDUs (1) Limited to 1,610 DUs	
Poggi Canyon Trunk Sewer	Developer/Impact Fees		
P-1 (gravity + pumped)			
P-2 (gravity + pumped)			
P-3 (pumped only)			
Telegraph Cyn and Poggi Cyn Trunk Sewers	Developer/Impact Fees		
<b>Drainage</b>	Developer build detention basins and diversion facilities	Two Woods detention basins constructed with 1 <sup>st</sup> grading permit for Woods or Vistas.	
<b>Water</b>	Pay OWD Capacity Fees	Pay at purchase of water meters	
<b>Police</b>	Pay PFDIF	Building Permit	
<b>Fire/EMC</b>	Pay PFDIF	Building Permit	
<b>Schools</b>	SUHSD CFD No. 1 CVESD CFD No. 1	Annex to Districts	
<b>Library</b>	Pay PFDIF	Building Permit	
<b>Parks</b>		<b>Project</b>	<b>Cumulative</b>
1. I.O.D. for Vistas Park	Developer/PAD credit	0 DU	0 DU
2. Site Specific Master Plan	Developer/PAD credit	557 DU	557 <sup>th</sup> DU
3. Design Development Application	Developer/PAD credit	120 DU	677 <sup>th</sup> DU
4. 1 <sup>st</sup> Construction Drawing	Developer/PAD credit	120 DU	797 <sup>th</sup> DU
5. Commence Park Construction	Developer/PAD credit	119 DU	916 <sup>th</sup> DU
6. Complete Park Construction	Developer/PAD credit	403 DU	1,319 <sup>th</sup> DU
<b>Civic Center</b>	Pay PFDIF	Building Permit	
<b>Corp. Yard</b>	Pay PFDIF	Building Permit	
<b>Other Public Facilities</b>	Pay PFDIF	Building Permit	

Sources: MuniFinancial calculations from PFFP tables.

(1) Pumped EDU's shall mean the aggregate of all existing and/or mapped EDU's.

# INTRODUCTION



## **4.2 INTRODUCTION**

### **4.2.1 Overview**

The City of Chula Vista has looked comprehensively at issues dealing with development and the additional impacts it places on public facilities and services. The approval of the Threshold Ordinance and the General Plan update were the first steps in the overall process of addressing growth related issues. The second step in this process was the development and adoption of a specific Growth Management Element that set the stage for the creation of the City's Growth Management Program.

The Chula Vista City Council adopted the Growth Management Program and Implementing Ordinance No. 2448 on May 28, 1991. These documents implement the Growth Management Element of the General Plan, and establish a foundation for carrying out the development policies of the City by directing and coordinating future growth in order to guarantee the timely provision of public facilities and services.

The Growth Management Ordinance requires a Public Facilities Finance Plan (PFFP) to be prepared for future development projects requiring a Sectional Planning Area (SPA) Plan or Tentative Map. The contents of the PFFP are governed by Section 19.09.060 of the Municipal Code requiring that the plan show how and when the public facilities and services identified will be installed or financed.

### **4.2.2 Purpose**

The purpose of the Public Facilities Finance Plan is to implement the City's Growth Management Program and to meet the General Plan goals and objectives as well as the Growth Management Element goals and objectives. The Chula Vista Growth Management Program implements the City's General Plan and Zoning Ordinance by ensuring that development occurs only when necessary public facilities and services exist or are provided concurrent with the demands of the project.

### **4.2.3 Growth Management Threshold Standards**

City Council Resolution No. 13346 identified eleven (11) public facilities and services with related threshold standards and implementation measures. These public facilities and services were listed in a policy statement dated November 17, 1987 and have subsequently been refined based on recommendations from the Growth Management Oversight Commission (GMOC).



The 11 public facilities and services include:

- Traffic
- Police
- Fire/EMS
- Schools
- Libraries
- Parks and Recreation
- Water
- Sewer
- Drainage
- Air Quality
- Fiscal

During development of the Growth Management Program two new facilities were added to the list of facilities to be analyzed in the PFFP:

- Civic Facilities
- Corporation Yard

#### **4.2.4 The Eastlake III Project**

The Eastlake III SPA is located in the eastern portion of the Chula Vista City limits. The 940-acre site is located approximately 8 miles east of the Civic Center of Chula Vista as shown on Figure 1. The site is located immediately east of the Eastlake Trails and Eastlake Business Center II. The two proposed Eastlake III residential neighborhoods, Eastlake Woods and Eastlake Vistas, are adjacent to the western edge of Upper and Lower Otay reservoirs, respectively. Figure 1 illustrates the location of Eastlake III and its proximity to major roads and surrounding landmarks.

#### **4.2.5 Public Facilities Finance Plan Boundaries**

Section 19.12.070 of the Municipal Code requires that the boundaries of the PFFP be established by the City at the time a SPA Plan or Tentative Map is submitted by the applicant. The boundaries shall be based upon the impact created by the Project on the existing and future need for facilities. The project boundaries will correlate the proposed development project with existing and future development proposed for the area of impact to provide for the economically efficient and timely installation of both onsite and offsite facilities and improvements required by the development. In establishing the boundaries for the PFFP, the City shall be guided by the following considerations:

1. Service areas, drainage, sewer basins, and pressure zones which serve the Project;

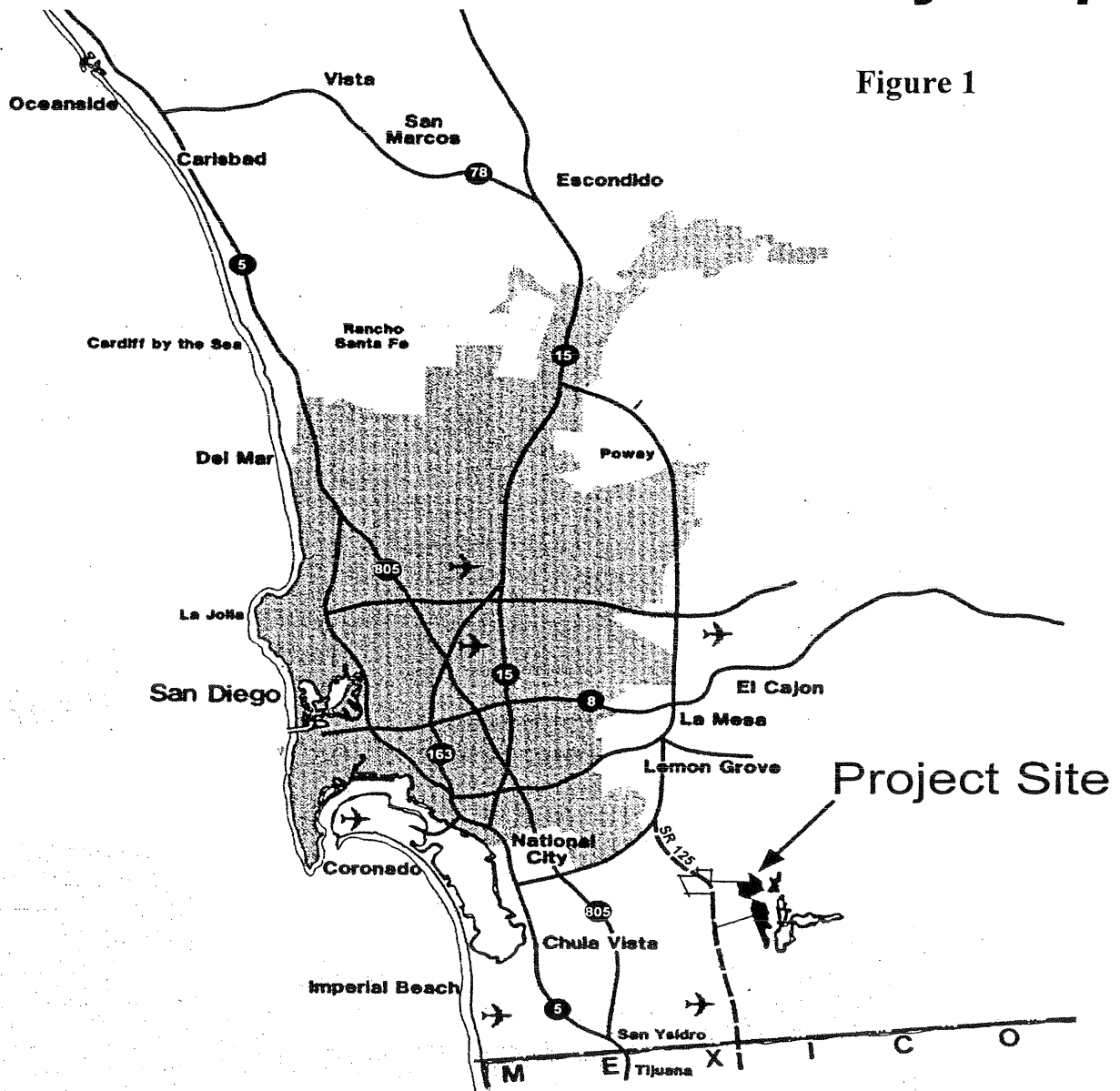
2. Extent to which facilities or improvements are in place or available;
3. Ownership of property;
4. Project impact on public facilities relationships, especially the impact on the City's planned major circulation network;
5. Special district service territories;
6. Approved fire, drainage, sewer, or other facilities or improvement master plans.

The boundaries of the PFFP for the Eastlake III project are congruent with the Sectional Planning Area (SPA) Plan boundaries. Also, the PFFP addresses certain facilities (streets, drainage, sewer, police, fire, etc.) which are impacted beyond the boundaries of the SPA Plan.



# Vicinity Map

Figure 1

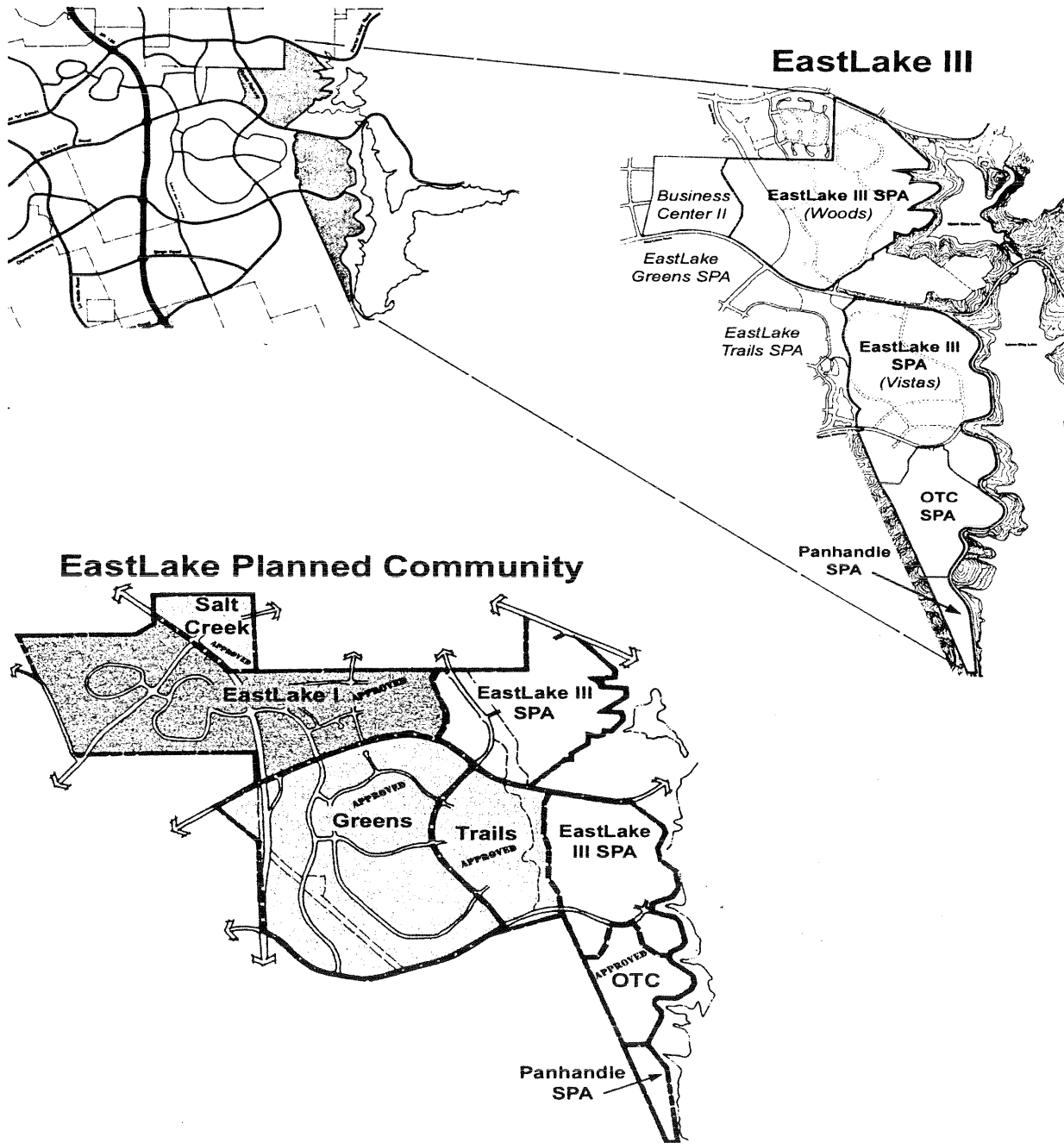




# SPA Boundaries

(Does Not Include OTC SPA or Panhandle SPA)

Figure 1A





# LAND USE ASSUMPTIONS





## **4.3 LAND USE ASSUMPTIONS**

### **4.3.1 Purpose**

The purpose of this section of the PFFP is to quantify how the Eastlake III project will be analyzed in relationship to all other projects which are at some stage in the City's development process. The Growth Management Program addressed the issue of development phasing in relationship to location, timing, and fiscal/economic considerations.

Based upon the overall elements to be considered when projecting the phasing of development and policies contained in the Growth Management Program, the City was able to forecast where and when development will take place and produced a 5 to 7 year Development Phasing Forecast. Since the approval of the Growth Management Program, the development phasing forecast has been updated for a 5-year increment and will be updated periodically as facility improvements are made and the capacity for new development becomes available.

The specific factors which affect the development phasing forecast include the status of development approvals and binding development agreements, the future construction of State Route 125, and the capacity of other facilities. These components were reviewed as part of this PFFP in conjunction with the requirement to provide facilities and services, concurrent with the demand created by the Eastlake III project to maintain compliance with the threshold standards.

The management of future growth includes increased coordination of activities of the various City departments as well as with both School Districts and Water Districts that serve the City of Chula Vista. The development phasing forecast enables the City to prioritize and maximize limited staff resources in order to focus efforts on the highest priority projects in the forecast. The 5-year development phasing forecast is a method that will be used to effectively and efficiently manage future development.

As indicated in the Growth Management Program, accuracy of the forecast is dependent upon numerous outside influences that affect the overall demand for new development. The first 12 to 18 months of the forecast will be more accurate and subsequent years less accurate due to lower levels of development approval and corresponding agreements to provide public facilities. These later years are subject to change and will become more accurate as development entitlements are obtained and public facilities are guaranteed.

The PFFP for Eastlake III begins by analyzing the demand for facility capacity from existing development. Next, the development identified in the development-phasing forecast to the year 2005 is added to the existing development category to measure the cumulative demand from these two increments of development. Then, the PFFP adds the proposed phasing of the Eastlake III project, as shown in the Sectional Planning Area (SPA) Plan, to determine the cumulative impacts associated with each phase of the project.

#### **4.3.2 Existing Development**

As a starting point, the PFFP considers all existing development up to January 1, 2000 as the base condition. This information is based upon City of Chula Vista Planning Department growth management monitoring data. According to this and other data, the population of the City as of December 31, 1999 was estimated to be 174,319 based upon California Department of Finance (DOF) information. The population west of Interstate 805 was approximately 118,473 and east of I-805 approximately 55,846.

For the purposes of projecting facility demands for the Eastlake III SPA, the City of Chula Vista utilizes a January 1, 2000 population coefficient of 3.036 persons per dwelling unit. This factor is used throughout this Public Facilities Financing Plan to calculate facility demands from approved projects. The coefficient has been confirmed for use in the PFFP by the Planning Department. The same coefficient will be used for calculating the specific Eastlake III project facility demands.

#### **4.3.3 Development Phasing Forecast**

A summary of the latest development phasing forecast is shown in Table 3. The table reflects total dwelling units, and industrial and commercial acres remaining for building permit issuance as of December 31, 1999, as well as an estimate of the amount of development activity anticipated to the year 2005.

The total number of dwelling units remaining for building permit issuance to the year 2005, excluding Eastlake III, is 12,651 dwelling units. Additionally, as of October 2000, there were 975,577 square feet (sf) of non-residential under construction, 457,754 sf in plan check, and 420,232 sf in design review. It should be noted that these projects are used for analytical purposes only and unless a development agreement or other legal instrument guarantees facility capacity, some projects with varying levels of entitlement may not have committed capacity.

#### **4.3.4 Eastlake III Development Summary**

The Eastlake III project is proposed to include a total of 2,061 residential dwelling units and other land uses constructed in three (3) phases as shown in Figures 2 and 3 and in Table 5 on the following pages.

Also included within the project are 30.6 gross acres of visitor and retail commercial uses, 13.5 gross acres of public parks, 137.8 acres of open space and other public uses, 14.3 acres for an elementary school site, 24.8 acres for a junior high school site, 1.1 acres for a fire station, 10.8 acres for Community Purpose Facilities (CPF), and 25.5 acres for streets.

TABLE 3

**CITY OF CHULA VISTA PLANNING AND BUILDING DEPARTMENT 5-YEAR RESIDENTIAL FORECAST**  
**EASTERN CHULA VISTA MAJOR PROJECTS**  
**Number of Housing Units Being Finaled by Housing Type (MF= Multi-Family, SF = Single Family)**  
**2000 THROUGH 2005**  
**(Not Including Eastlake III)**

		YEAR																		Total 2000 to 2005
Map Ref.	PROJECTS	2000			2001			2002			2003			2004			2005			
		MF	SF	Total	MF	SF	Total	MF	SF	Total	MF	SF	Total	MF	SF	Total	MF	SF	Total	
	Otay Ranch																			
	Otay Ranch Co																			
31	Village 1	0	400	400	300	100	400	125	100	225	125	100	225	200	200	400	150	150	300	1,950
33	Village 1 West			0		25	25		50	50		75	75		100	100		100	100	350
34	Village 2			0			0			0			0		0	0		200	200	200
35	Village 6			0			0			0			0		50	50		150	150	200
	Pacific Coast Communities																			
31	Village 5		50	50		100	100		100	100		100	100		125	125		125	125	600
	McMillin Companies																			
31	Village 1		80	80		77	77		82	82			0			0			0	239
36	Village 5	220	221	441	131	150	281		125	125	18	100	118			0			0	965
35	Village 6			0			0		0	0		100	100			150	150	159	159	409
37	Village 7														0	0	0	125	125	125
	New Millennium																			
38	Village 11			0			0	0	0	0	100	125	225	100	150	250	100	150	250	725
	EastLake																			
25	Eastlake Greens	124	18	142	128	0	128		0	0		0	0		0	0			0	270
28	EastLake Land Swap			0			0			0			0			0	200		200	200
26	EastLake Trails	36	311	347	71	383	454	79	232	311			0			0			0	1,112
	Rancho del Rey																			
3	Rancho del Rey I		9	9			0			0			0			0			0	9
4	Rancho del Rey II		83	83			0			0			0			0			0	83
5	Rancho del Rey III		117	117		8	8			0			0			0			0	125
18	Rolling Hills		300	300	116	300	416	168	300	468		300	300		300	300		165	165	1,949
26	Sunbow II	132	251	383	156	204	360	300	175	475	284	150	434		125	125		54	54	1,831
19	Bella Lago			0			0			0			0			0			0	-
30	San Miguel			0		75	75		300	300	100	250	350	119	175	294		250	250	1,269
39	Vista Mother Miguel			0			0			0		20	20		20	20			0	40
	Unit Totals	512	1,840	2,352	902	1,422	2,324	672	1,464	2,136	627	1,320	1,947	419	1,395	1,814	450	1,628	2,078	12,651

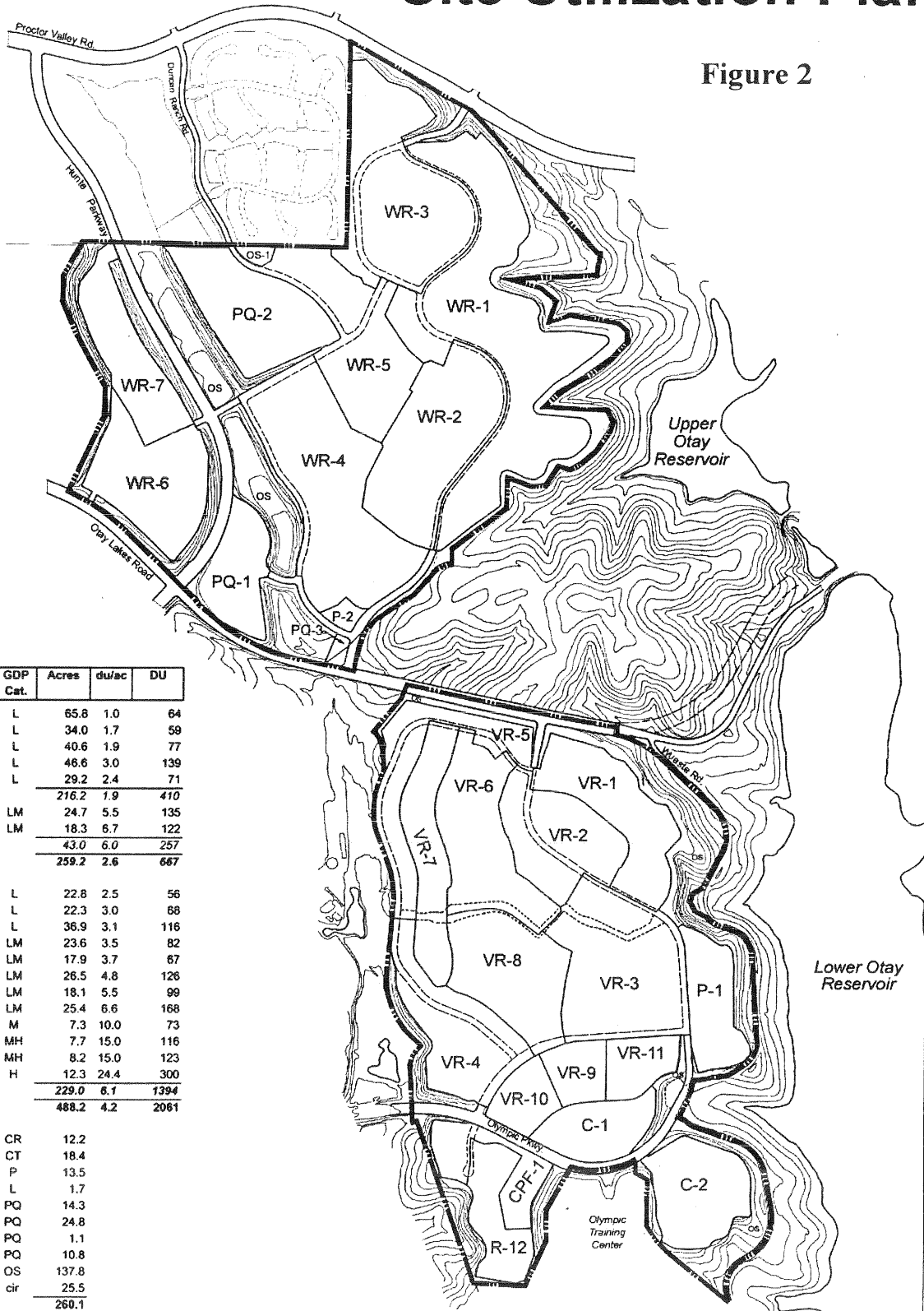
## NOTE:

1. Information as of January 1, 2000



# Site Utilization Plan

Figure 2



## RESIDENTIAL

### Woods

Parcel Number	Land Use	GDP Cat.	Acres	du/ac	DU
WR-1	Single Family	L	65.8	1.0	64
WR-2	Single Family	L	34.0	1.7	59
WR-3	Single Family	L	40.6	1.9	77
WR-4	Single Family	L	46.6	3.0	139
WR-5	Single Family	L	29.2	2.4	71
Residential Sub-total (Woods East)			216.2	1.9	410
WR-6	Single Family	LM	24.7	5.5	135
WR-7	Single Family	LM	18.3	6.7	122
Residential Sub-total (Woods West)			43.0	6.0	257
Residential Sub-total (Woods):			259.2	2.6	667

### Vistas

VR-1	Single Family	L	22.8	2.5	56
VR-2	Single Family	L	22.3	3.0	68
VR-3	Single Family	L	36.9	3.1	116
VR-4	Single Family	LM	23.6	3.5	82
VR-5	Single Family	LM	17.9	3.7	67
VR-6	Single Family	LM	26.5	4.8	126
VR-7	Single Family	LM	18.1	5.5	99
VR-8	Single Family	LM	25.4	6.6	168
VR-9	SFA/Multi-Family	M	7.3	10.0	73
VR-10	Multi-Family	MH	7.7	15.0	116
VR-11	Multi-Family	MH	8.2	15.0	123
VR-12	Multi-Family	H	12.3	24.4	300
Residential Sub-total (Vistas):			229.0	6.1	1394
Sub-total Residential			488.2	4.2	2061

## NON-RESIDENTIAL

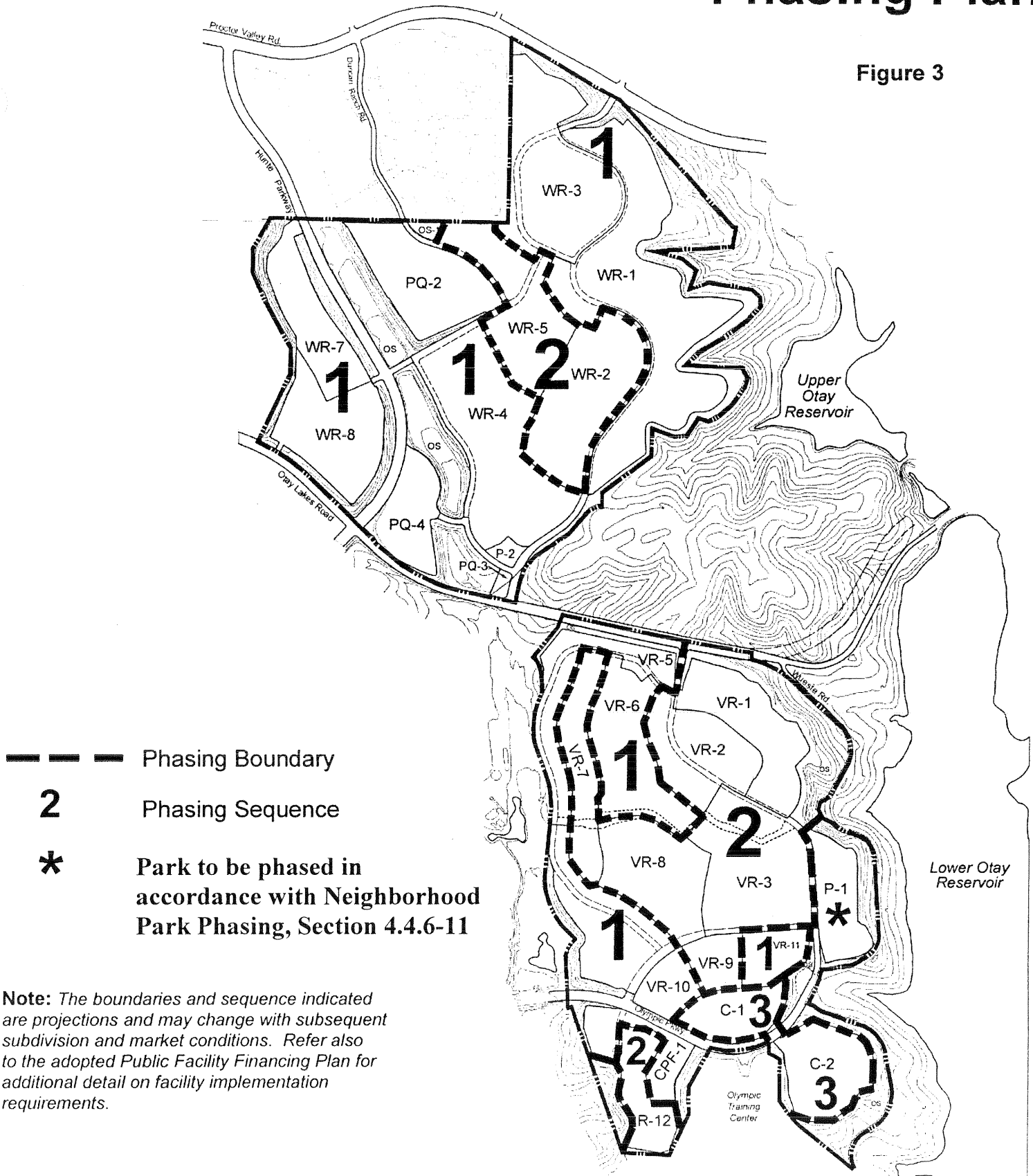
C-1	Commercial- Retail	CR	12.2		
C-2	Commercial - Tourist	CT	18.4		
P-1	Public Park	P	13.5		
P-2	Private Recreation	L	1.7		
PQ-1	Elementary School	PQ	14.3		
PQ-2	Jr. High School	PQ	24.8		
PQ-3	Fire Station	PQ	1.1		
CPF-1	Comm. Purpose Fac.	PQ	10.8		
OS	Open Space*	OS	137.8		
	Major Circulation	cir	25.5		
Sub-total Non-Residential			260.1		
PROJECT TOTAL			748.3	2.8	2061

\* OS-1 permits School Parking



# Phasing Plan

Figure 3







**Table 4      Land Use Table For Eastlake III Spa Plan**  
**GDP and SPA Plan Statistics**

	GDP Statistics		SPA Plan		Average Density
Residential	Acres	DU	Acres	DU	
<b>Woods</b>					
Low	216.2	410	216.2	410	1.9 du/ac
Low-Medium	43.0	257	43.0	257	6.0 du/ac
<b>Subtotal</b>	<b>259.2</b>	<b>667</b>	<b>259.2</b>	<b>667</b>	<b>2.6 du/ac</b>
<b>Vistas</b>					
Low	82.0	240	82.0	240	2.9 du/ac
Low-Medium	111.1	540	111.1	540	4.9 du/ac
Medium	7.3	73	7.3	73	10 du/ac
Medium-High	15.9	239	15.9	239	15 du/ac
High	12.3	300	12.3	300	24.4du/ac
<b>Subtotal</b>	<b>229.0</b>	<b>1,394</b>	<b>229.0</b>	<b>1,394</b>	<b>6.1 du/ac</b>
<b>Residential Subtotal</b>	<b>491.6</b>	<b>2,061</b>	<b>491.6</b>	<b>2,061</b>	<b>4.2 du/ac</b>
<b>Non- residential</b>					
Retail Comm.	12.2	--	12.2		
Tourist Comm.	18.4	--	18.4		
Open Space	137.8	--	137.8		
Public/PQ	40.2	--	40.2	--	--
CPF	10.8	--	10.8	--	--
Parks & Rec.	15.2	--	15.2	--	--
Circulation	25.5	--	25.5	--	--
<b>Subtotal</b>	<b>260.1</b>	<b>--</b>	<b>260.1</b>	<b>--</b>	<b>--</b>
<b>TOTALS</b>	<b>748.3</b>	<b>2,061</b>	<b>748.3</b>	<b>2,061</b>	<b>2.8 du/ac</b>

<b>Table 5 Eastlake III Phasing and Site Utilization Plan</b>				
<b>Land Use</b>	<b>Phases</b>			<b>Total Units</b>
	<b>1</b>	<b>2</b>	<b>3</b>	
<b>Residential DUs</b>				
SPA District				
WR-1	64			<b>64</b>
WR-2		59		<b>59</b>
WR-3	77			<b>77</b>
WR-4	139			<b>139</b>
WR-5		71		<b>71</b>
WW-WR-6	135			<b>135</b>
WW-WR-7	122			<b>122</b>
VR-1		56		<b>56</b>
VR-2		68		<b>68</b>
VR-3		116		<b>116</b>
VR-4	82			<b>82</b>
VR-5	67			<b>67</b>
VR-6	126			<b>126</b>
VR-7		99		<b>99</b>
VR-8		168		<b>88</b>
VR-9		73		<b>73</b>
VR-10	116			<b>116</b>
VR-11	123			<b>123</b>
VR-12		300		<b>300</b>
<b>Total Residential Units</b>	<b>1,051</b>	<b>1,010</b>	<b>0</b>	<b>2,061</b>
<b>Nonresidential Acres</b>				
Commercial Acres			12.2	<b>12.2</b>
Community Park Acres				<b>0</b>
Neighborhood Park Acres	13.5			<b>13.5</b>
Tourist/Hotel			18.4	<b>18.4</b>
Fire Station Site	1.1			<b>1.1</b>
School Site Acres	39.1			<b>39.1</b>
CPF Comm. Purpose Site Acres	10.8			<b>10.8</b>
<b>Total Nonresidential Acres</b>	<b>64.5</b>		<b>30.6</b>	<b>95.1</b>

Source: SPA plan dated February 20, 2001.

#### 4.3.5 Equivalent Dwelling Units

##### Transportation

The following equivalent dwelling units (EDU's) apply to the calculation of development impact fees for Eastern Territories transportation improvements and for Interim Pre-SR-125 facilities.

The Transportation Development Impact Fee (TDIF) established by Ordinance No. 2802 adopted by the City Council on November 16, 1999 and adjusted for inflation on October 1, 2000 (as adjusted from time to time) is \$6,065 per EDU. Each new single-family detached dwelling is considered one EDU for the purposes of this fee. A single family attached dwelling is 0.8 EDU's. A unit within a multi-family dwelling is 0.6 EDU's. Commercial/Office (under five stories in height) is 25.0 EDU's per gross acre of land while Industrial is 15.0 EDU's per acre.

The Interim Pre-SR-125 Development Impact Fee is currently \$820 per EDU (as adjusted from time to time). The same EDU rates apply to the Interim Pre-SR-125 Development Impact Fee as for the Transportation Development Impact Fee.

<b>Table 6 Eastlake III - Equivalent Dwelling Units (EDU's) by Phase for Transportation and Interim Pre-SR-125 Facilities</b>					
Land Use	DU's Acres	EDUs by Phase			
		Phase 1	Phase 2	Phase 3	Total EDUs
SFR-DETACHED	1,449.0	812.0	637.0	0.0	1,449.0
SFR-ATTACHED	73.0	0.0	58.4	0.0	58.4
MFR	539.0	143.4	180.0	0.0	323.4
COMMERCIAL	30.7	0.0	0.0	767.5	767.5
<b>EDU's/PHASE</b>		<b>955.40</b>	<b>875.40</b>	<b>767.5</b>	<b>2,598.3</b>

Source: MuniFinancial calculations.

### **Public Facilities**

The following table of equivalent dwelling units (EDU's) applies to the calculation of impact fees in accordance with Ordinance No's. 2809A and 2810 and Resolution No. 2000-169 adopted May 23, 2000 for public facilities. The Public Facilities Development Impact Fee is currently \$2,618 per EDU (as adjusted from time to time). The fee funds, in part, the following facilities:

1.Civic Center Expansion	\$ 480
2.Police Facility and Equipment	\$ 735
3.Corporation Yard Relocation	\$ 386
4.Libraries	\$ 638
5.Fire Suppression System	\$ 203
6.Other Public Facilities	\$ 42
<i>Subtotal</i>	\$2,484
7.PFDIF Administration	\$ 134
<b>Total</b>	<b>\$2,618</b>

Each new single family detached dwelling, single family attached dwelling, or unit within a multi-family dwelling in a Development Project shall be considered one EDU for purposes of this fee. Commercial/Office and Industrial development Projects shall be charged at the rate of 5.00 EDU's per gross acre of land. The EDU rate for each CPF use shall be charged at the rate of 3 EDU's per gross acre of land.

The calculations of PFDIF due for each facility addressed in the following sections of this report do not include the current \$134 amount for "administration" which may be adjusted from time to time. However, this amount is collected as part of the \$2,618 fee per EDU.

<b>Table 7 Eastlake III Equivalent Dwelling Units (EDU's) by Phase for Public Facilities</b>				
<b>LandUse</b>	<b>EDUs by Phase</b>			
	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Total EDU's</b>
Residential	1,051.0	1,010	0.0	2,061.0
Commercial	0.0	0.0	153.5	153.5
CPF	32.4	0.0	0.0	32.4
<b>EDU's/PHASE</b>	<b>1,083.4</b>	<b>1,010</b>	<b>153.5</b>	<b>2,246.9</b>

Source: MuniFinancial calculations.

# FACILITY ANALYSIS



## 4.4 FACILITY ANALYSIS

This portion of the PFFP contains 13 separate subsections for each facility addressed by this report. Of the 13 facilities, 11 have adopted threshold standards, except Civic Center and Corporation Yard.

The following figure highlights the level of analysis for each facility:

Level of Analysis				
Facility	Citywide	East of I-805	Service Area Sub-basin	Special District
Traffic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Police	<input checked="" type="checkbox"/>			
Fire/EMS	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Schools				<input checked="" type="checkbox"/>
Libraries	<input checked="" type="checkbox"/>			
Parks & Recreation		<input checked="" type="checkbox"/>		
Water			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sewer		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Drainage			<input checked="" type="checkbox"/>	
Air Quality	<input checked="" type="checkbox"/>			
Fiscal <sup>5</sup>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Civic Center <sup>6</sup>				
Corporation Yard <sup>6</sup>				

Source: Chula Vista Growth Management Program

Each subsection analyzes the impact of the Eastlake III Project based upon the adopted Quality of Life Standards. The analysis is based upon the specific goal, objective, threshold standard and implementation measures. The current master plan or documents that are being used in place of a completed master plan is used to determine facility adequacy and is referenced within the facility section.

<sup>5</sup> Fiscal is analyzed on a project-by-project basis.

<sup>6</sup> Specific Threshold Standards have not been developed for these facilities.



Each analysis is based upon the specific project processing requirements for that facility, as adopted in the Growth Management Program. These indicate the requirements for evaluating the project consistency with the threshold ordinance at various stages (General Development Plan, Sectional Planning Area Plan/Public Facilities Finance Plan, Tentative Map, Final Map and Building Permit) in the development review process.

A service analysis section is included which identifies the service provided by each facility. An existing facilities inventory is included along with those future improvements which will be required through the conditioning of future forecasted development projects or are scheduled to be made in the City's adopted Capital Improvement Budget.

The existing plus forecasted demands for the specific facility are identified in the subsection based upon the adopted threshold standard.

Each facility subsection contains an adequacy analysis followed by a detailed discussion indicating how the facility is to be financed. The adequacy analysis provides a determination of whether or not the threshold standard is being met and the finance section provides a determination if funds are available to guarantee the improvement. If the threshold standard is not being met, mitigation is recommended in the Threshold Compliance and Recommendations subsection that proposes the appropriate conditions or mitigation to bring the facility into conformance with the threshold standard.

# TRAFFIC



## 4.4.1 TRAFFIC

### 4.4.1.1 Threshold Standard

1. *Citywide*: Maintain Level of Service (LOS) "C" or better, as measured by observed average travel speed on all signalized arterial segments except that during peak hours a LOS of "D" can occur for no more than any two hours of the day.
2. *West of Interstate 805*: Those signalized intersections which do not meet the standard above may continue to operate at their current LOS, but shall not worsen.

### 4.4.1.2 Level Of Service (LOS) Definition

The level of service (LOS) concept is based on the degree of traffic congestion, delay, or interference from other vehicles experienced by motorists. Six levels of services (LOS) have been defined varying from A (free flow) to F (severe congestion). While the precise LOS definitions differ by functional classification and intersection type, LOS standards offer a consistent and readily comprehensible method for evaluating and comparing traffic conditions. In general, the LOS definitions are as follows:

<u>Level of Service</u>	<u>Traffic Flow Quality</u>
A	Low volumes, high speed; speed not restricted by other vehicles; all signal cycles clear with no vehicles waiting through more than one signal cycle.
B	Operating speed beginning to be affected by other traffic; between one and ten percent of the signal cycles have one or more vehicles which wait through more than one cycle during peak traffic periods.
C	Operating speeds and maneuverability closely controlled by other traffic; between 11 and 30 percent of the signal cycles have one or more vehicles which wait through more than one signal cycle during peak traffic periods; recommended ideal design standard.
D	Tolerable operating speeds; 31 to 70 percent of the signal cycles have one or more vehicles, which wait through more than one signal cycle during peak traffic periods; often used as design standard in urban areas.
E	Capacity; the maximum traffic volume an intersection can accommodate; restricted speeds; 71 to 100 percent of the signal cycles have one or more vehicles which wait through more than one signal cycle during peak traffic periods.
F	Long queues of traffic; unstable flow; stoppages of long duration; traffic volume and traffic speed can drop to zero; traffic volume may be less than volumes which occurs at Level of Service E.

#### 4.4.1.3 Freeway Segment Level Of Service Standards and Thresholds

The analysis of freeway segment level of service is based on the procedure developed by **Caltrans District 11**, which is based on methods described in the **1965 Highway Capacity Manual**. This procedure is used for long-range planning purposes because the methods described in the **1997 Highway Capacity Manual** are extremely data intensive, and much of the required data is unavailable. The procedure for calculating freeway LOS involves the estimation of volume to capacity (V/C) ratio using the following equation:

$$V/C = \frac{((\text{Daily Volume} * \text{Peak Hour Percent} * \text{Directional Factor}) / \text{Truck Factor})}{\text{Capacity}}$$

where: *Daily Volume* = Average Daily Traffic (ADT)  
*Peak Hour Percent* = Percentage of ADT occurring during the peak hour.  
*Directional Factor* = Percentage of peak hour traffic occurring in peak direction of travel.  
*Truck Factor* = Truck/terrain factor to represent influence of heavy vehicles and grades.  
*Capacity* = 2,200 vehicles/lane/hour for 4-lane freeways, and 2,300 vehicles/lane/hour for 6-lane or more freeways

The resulting V/C is then compared to accepted ranges of V/C values corresponding to the various levels of service for each facility classification, as shown in Table 8. The corresponding level of service represents an approximation of existing or anticipated future freeway operating condition in the peak direction of travel during the peak hour. While Caltrans and the SANDAG Regional Growth Management Strategy (RGMS) recommend LOS D or better as acceptable for freeways, the SANDAG Congestion Management Program (CMP) sets LOS E as the threshold standard. This LOS E is used as the threshold of significance because a decrease from this level of service to LOS F determines the need to develop a freeway Deficiency Plan.

#### Caltrans District 11 Freeway Segment Level of Service Definitions

##### Level of Service (LOS) Definitions

The concept of LOS is defined as a qualitative measure describing operational conditions within a traffic stream, and the motorist and/or passengers' perception of operations. A LOS definition generally describes these conditions in terms of such factors as speed, travel time, freedom to maneuver, comfort, convenience, and safety. Levels of service for freeway segments can generally be categorized as follows:

**Table 8      Caltrans District 11  
Freeway Segment Level of Service Definitions**

<u>LOS</u>	<u>V/C</u>	<u>Congestion/Delay</u>	<u>Traffic Description</u>
<i>(Used for freeways, expressways and conventional highways)</i>			
"A"	<0.41	None	Free flow.
"B"	0.42-0.62	None	Free to stable flow, light to moderate volumes.
"C"	0.63-0.80	None to minimal	Stable flow, moderate volumes, freedom to maneuver noticeably restricted.
"D"	0.81-0.92	Minimal to substantial	Approaches unstable flow, heavy volumes, very limited freedom to maneuver.
"E"	0.93-1.00	Significant	Extremely unstable flow, maneuverability and psychological comfort extremely poor.
<i>(Used for conventional highways)</i>			
"F"	<1.00	Considerable	Forced or breakdown flow. Delay measured in average travel speed (MPH). Signalized segments experience delays >60.0 seconds/vehicle.
<i>(Used for freeways and expressways)</i>			
"F(0)"	1.01-1.25	Considerable 0-1 hour delay	Forced flow, heavy congestion, long queues form behind breakdown points, stop and go.
"F(1)"	1.26-1.35	Severe 1-2 hour delay	Very heavy congestion, very long queues.
"F(2)"	1.36-1.45	Very Severe 2-3 hour delay	Extremely heavy congestion, longer queues, more numerous breakdown points, longer stop periods.
"F(3)"	>1.46	Extremely Severe 3+ hours of delay	Gridlock

*SOURCE: Caltrans, 1992.*

#### **4.4.1.4 Arterial Roadway Segment Level of Service Standards and Thresholds**

This section presents the level of service standards and thresholds utilized by the City of Chula Vista to analyze arterial roadway segment performance. The analysis of roadway segment level of service is based on the functional classification of the roadway, the maximum desired level of service capacity, roadway geometrics, and the existing or forecasted average daily traffic (ADT) volume. Table 8A presents the City of Chula Vista segment capacity and level of service standards for arterial roadways.

**Table 8A     City of Chula Vista**  
**Segment Capacity and Level of Service Standards Average Daily Traffic Volumes**

Functional Classification	Level of Service				
	A	B	C	D	E
Expressway (6-lane)	52,500	61,300	70,000	78,800	87,500
Prime Arterial (6-lane)	37,500	43,800	50,000	56,300	62,500
Major Street (6-lane)	30,000	35,000	40,000	45,000	50,000
Major Street (4-lane)	22,500	26,300	30,000	33,800	37,500
Class I Collector (4-lane)	16,500	19,300	22,000	24,800	27,500
Class II Collector (3-lane)	9,000	10,500	12,000	13,500	15,000
Class III Collector (2-lane)	5,600	6,600	7,500	8,400	9,400

*SOURCE: City of Chula Vista Street Design Standards Policy (July 1991)*

The City of Chula Vista General Plan Circulation Element mandates LOS C or better as acceptable for arterial roadway segment ADT volumes. These standards are generally used as long-range planning guidelines to determine the functional classification of roadways and maintain a quality circulation system for Southbay residents under ultimate, build-out conditions. It should be recognized that the actual functional capacity of roadway facilities vary by the actual characteristics which exist on each facility under review. Typically, the performance and LOS of a roadway segment is based on the ability of arterial intersections to accommodate peak hour volumes. Special intersection design features to achieve acceptable levels of service and lower approach delays could result in higher capacities than those shown in Table 8.

#### **4.4.1.5 Intersection Level of Service Standards and Threshold**

This section presents the methodologies used to perform intersection capacity analysis based upon peak hour traffic volumes. The analysis of existing and projected peak hour intersection performance was conducted utilizing the methodology documented in the **1997 Highway Capacity Manual (Transportation Research Board Special Report 209)**.

This method defines level of service in terms of delay, or more specifically, average control delay per vehicle. Delay is a measure of driver and/or passenger discomfort, frustration, fuel consumption and lost travel time. This technique uses 1,900 vehicles per hour per lane (vphpl) as the maximum saturation volume of an intersection. This saturation volume is adjusted to account for lane width, on-street parking, pedestrians, traffic composition (i.e. percentage trucks) and shared lane movements (i.e., through and right-turn movements originating from the same lane). The level of service criteria used for this technique is described in Table 9.

**Table 9 Signalized Intersection Level of Service Highway Capacity Manual Operational Analysis Method**

Average Control Delay Per Vehicle (seconds)	Level of Service (LOS) Characteristics
<10.1	LOS A describes operations with very low delay. This occurs when progression is extremely favorable, and most vehicles do not stop at all. Short cycle lengths may also contribute to low delay.
10.1 - 20.0	LOS B describes operations with generally good progression and/or short cycle lengths. More vehicles stop than for LOS A, causing higher levels of average delay.
20.1 - 35.0	LOS C describes operations with higher delays, which may result from fair progression and/or longer cycle lengths. Individual cycle failures may begin to appear at this level. The number of vehicles stopping is significant at this level, although many still pass through the intersection without stopping.
35.1 - 55.0	LOS D describes operations with high delay, resulting from some combination of unfavorable progression; long cycle lengths, or high volumes. The influence of congestion becomes more noticeable, and individual cycle failures are noticeable.
55.1 - 80.0	LOS E is considered to be the limit of acceptable delay. Individual cycle failures are frequent occurrences.
>80.0	LOS F describes a condition of excessively high delay, considered unacceptable to most drivers. This condition often occurs when arrival flow rates exceed the capacity of the intersection. Poor progression and long cycle lengths may also be major contributing causes to such delay.

SOURCE: 1997 Highway Capacity Manual, TRB Special Report 209.

#### 4.4.1.6 Chula Vista Traffic Monitoring Program (TMP)

To adhere to the Growth Management traffic threshold standards, the Public Works Department of the City of Chula Vista evaluates levels of service for arterial roadway segments utilizing the **Highway Capacity Manual** methodology, Chapter 11, based on average travel speeds. The threshold standards specify that a level of service (LOS) of C or better as measured by the average travel speed on the arterial, shall be maintained with an exception that during peak hours LOS D can occur for no more than any two hours of the day.

The Traffic Impact Analysis for Eastlake III, prepared by Linscott, Law & Greenspan Engineers, dated March 5, 2001 assessed the near-term analysis of the East H Street and Telegraph Canyon Road arterial segments based on the City of Chula Vista's Growth Management Oversight Committee (GMOC) Traffic Monitoring Program methodology. Those two roadway arterials were considered because the City of Chula Vista significance criteria dictates that if planning analysis factor of v/c indicates LOS D, E, or F, the GMOC method shall be used in the short-term (existing to 4 year horizon). The traffic analysis



under short-term conditions showed that these roadway arterials along East H Street and Telegraph Canyon Road operate at LOS D or worse.

Utilization of the arterial and intersection performance standards presented in this chapter and the required adherence to the Growth Management traffic threshold standards will result in full conformance with the requirements of the City of Chula Vista.

#### **4.4.1.7 Service Analysis**

The City of Chula Vista through the Public Works Department is responsible for ensuring that traffic improvements are provided to maintain a safe and efficient street system within the City. Through project review, City staff ensures the timely provision of adequate local circulation system capacity in response to planned development while maintaining acceptable levels of service. Planned new roadway segments and signalized intersections will maintain acceptable standards at the build-out of the City's General Plan and Circulation Element.

The traffic analysis report for the Eastlake III project entitled *Traffic Impact Analysis, Eastlake III, Chula Vista, California*, dated March 5, 2002 (*hereinafter referred to as "Traffic Impact Analysis"*) was prepared by Linscott Law & Greenspan Engineers (LL&G), addresses both existing and planned circulation system conditions. The Traffic Impact Analysis details necessary improvements and outlines the incremental circulation improvements based upon planned project phasing. The Traffic Impact Analysis also includes an evaluation of impacts that are considered significant as a result of project development.

The time frame when the standards may be exceeded is dependent on the number of dwelling units constructed prior to SR-125 opening. LL&G Engineers completed an analysis entitled "Near Capacity Analysis of East H Street and Telegraph Canyon Road, Chula Vista, California" dated June 2000, (*hereinafter referred to as "GMOC Traffic Study"*) which estimated the total number of residential dwelling units that can be constructed east of I-805 before the City roadway GMOC standards would be exceeded. The GMOC Traffic Study concluded that East H Street and Telegraph Canyon Road east of I-805 are the "constraint" in the area street system. The GMOC Traffic Study also found that prior to the completion of SR-125 under the Near-term cumulative analysis (study horizon years 0 to 4 years), the maximum number of dwelling units that can be constructed in the eastern territories without exceeding the City's GMOC traffic threshold for roadway segments is 9,429. This June 2000 analysis also documents the performance of East H Street, Otay Lakes Road, and Telegraph Canyon Road east of I-805 for the near term conditions based on the City's GMOC Traffic Monitoring Program (TMP). The decrease in travel speeds due to the project was calculated using a linear

regression equation. This linear regression equation was derived from historical ADT and average traveling speed data for those roadway segments.

#### **4.4.1.8 Project Processing Requirements**

##### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify onsite and offsite impacts, required improvements and trigger point for said improvements.
2. Provide cost estimates for all improvements.

#### **4.4.1.9 Existing Conditions**

This section summarizes the operation of the existing transportation network in the Eastlake III Project Study Area for the key freeway segments, local arterial segments, and intersections.

##### **Freeway Segments**

The Traffic Impact Analysis identified the segments of I-805 between Telegraph Canyon Road and East H Street and East H Street and Bonita Road as potential freeway segments that could be impacted by the proposed project traffic. The results of the analysis found that these two freeway segments currently operate at LOS E and F-2 respectively.

##### **Arterial Segments: Planning Analysis**

The EIR Traffic Study impact analysis assessed the roadway segment level of service operation by comparing the existing roadway volumes to the theoretical capacity of the roadway. City of Chula Vista LOS C capacity values were utilized to determine if a segment would operate over or under capacity.

The majority of the roadways within the study area of Eastlake III currently operate at acceptable LOS as they have been constructed to accommodate anticipated build-out traffic volumes. Roadway segments currently operating at an unacceptable LOS include East H Street between I-805 and Hidden Vista Drive (LOS F) and Telegraph Canyon Road between I-805 and Oleander Avenue (LOS F).

These two segments along East H Street and Telegraph Canyon Road were also analyzed utilizing the City's Traffic Monitoring Program (TMP) methodology to determine their compliance with the GMOC threshold standards as described below.

### **Arterial Segments: Growth Management Oversight Committee (GMOC) Analysis**

The City of Chula Vista Traffic Monitoring Program (TMP) assesses the operating performance of the City's arterial street system for compliance with the threshold standards of the GMOC. The threshold standards states that a LOS C or better, as measured by average travel speed on the arterial, shall be maintained with an exception that during peak hours LOS D can occur for no more than any two hours of the day.

Currently, East H Street between I-805 and Southwestern College entrance operates at LOS B during both the am and pm peak hours with a westbound average travel speed of 30.6 mph and eastbound average travel speed of 28.4 mph during the am and pm peak hours respectively. Telegraph Canyon Road is divided into two segments and operates at the following level of services:

- Between Halecrest and Medical Center Drive

LOS C during the am peak hour in the westbound direction with an average travel speed of 23.9 mph and LOS A during the pm peak hour in the eastbound direction with an average travel speed of 32.4.

- Between Medical Center Drive and Otay Lakes Road

LOS A during both the am and pm peak hours with a westbound average travel speed of 40.6 mph and an eastbound average travel speed of 42.3 during the am and pm peak hours respectively.

A near-term analysis for these segments of East H Street between I-805 and Hidden Vista Drive and Telegraph Canyon Road between I-805 and Oleander Avenue was conducted using the City's TMP methodology to determine the proposed Eastlake III project traffic impact on the average travel speed of these segments. Only these two arterials were analyzed because the City of Chula Vista's significance criteria dictates that if planning analysis (v/c) indicates LOS D, E, or F, the GMOC method shall be utilized in the short-term (0-4 year horizon). These arterials are only sections or links of roadways located within GMOC arterial street segments calculated at LOS D or worse. . The decrease in travel speeds due to the Eastlake III traffic was calculated using a linear regression equation. This linear regression equation is based on the historical 24-hour traffic volumes (ADT) and the average travel speeds on those segments of East H Street and Telegraph Canyon Road.

GMOC analysis indicates the two GMOC segments discussed above were calculated to operate at LOS C or better.

### **Peak Hour Intersections**

1. All study area intersections were found to operate at acceptable LOS D or better during both am and pm peak periods under existing conditions except for the following intersections:
2. East H Street and I-805 Southbound ramps with LOS F during the pm peak hour,
3. Telegraph Canyon Road and I-805 Northbound ramps with LOS E during both the am and pm peak hours, and
4. Olympic Parkway and I-805 Southbound ramps with LOS E during the pm peak hour.

#### **4.4.1.10 Transit**

In order to reduce the public's dependence upon the automobile, transit and land use patterns should work together. The easy access to transit facilities in correlation with the service offered can make transit a viable travel mode alternative to the automobile, thus reducing traffic congestion. Currently, two percent of trips are conducted on public transit in the region. Efforts should be made to increase this travel mode split by making transit accessible and convenient. Additionally, providing transit facilities will meet the City's CO<sub>2</sub> Reduction Plan which mentions transit as one of the action measures to reducing CO<sub>2</sub> emissions along with enhanced pedestrian connections to transit, increased housing density near transit, and site design with transit orientation.

### **Transit Policies**

The following principles should be followed in determining the location of transit stops along planned transit routes in the community and in designing the pedestrian system:

1. Where there are numerous major pedestrian generators, access to stops for transit vehicles moving in both directions would be facilitated by locating transit stops near striped intersections.
2. Transit stops should be located and walkways designed to provide access as directly as possible without impacting residential privacy.
3. At intersection points of two or more transit routes, stops should be located to minimize walking distance between transfer stops.
4. Transit vehicle conflicts with automobile traffic can be mitigated by locating bus turnouts/bus stops at the far side of intersections in order to permit right-turning vehicles to continue movement.

5. Transit stops should be provided with adequate walkway lighting and designed shelters.
6. Walkway ramps should be provided at transit stops to ensure accessibility to the handicapped.

### **Service Concepts**

Green Car – Local circulators using mini to mid-size buses. Green Car would act as a collector and provide feeder access to Blue Car and/or Red Car concepts. Bus stop facilities would be Low to Medium level. Service provided on residential streets and major streets.

Blue Car – Provides short distance trips (1-5 miles) with frequent stops. This service provides basic mobility and equals the current Chula Vista Transit service. Bus stop facilities at a Medium to High level. Service provided on major streets and arterials.

For information, the Red Car concept describes the future Light Rail Transportation service planned for the Otay Ranch area.

### **Bus Stop Facilities and Costs**

The various bus stop facility levels are defined below.

**Low** – Bus stop sign/pole

**Med** – Bus stop sign/pole/bench

**Med-High** – Bus stop sign/pole/bench/shelter

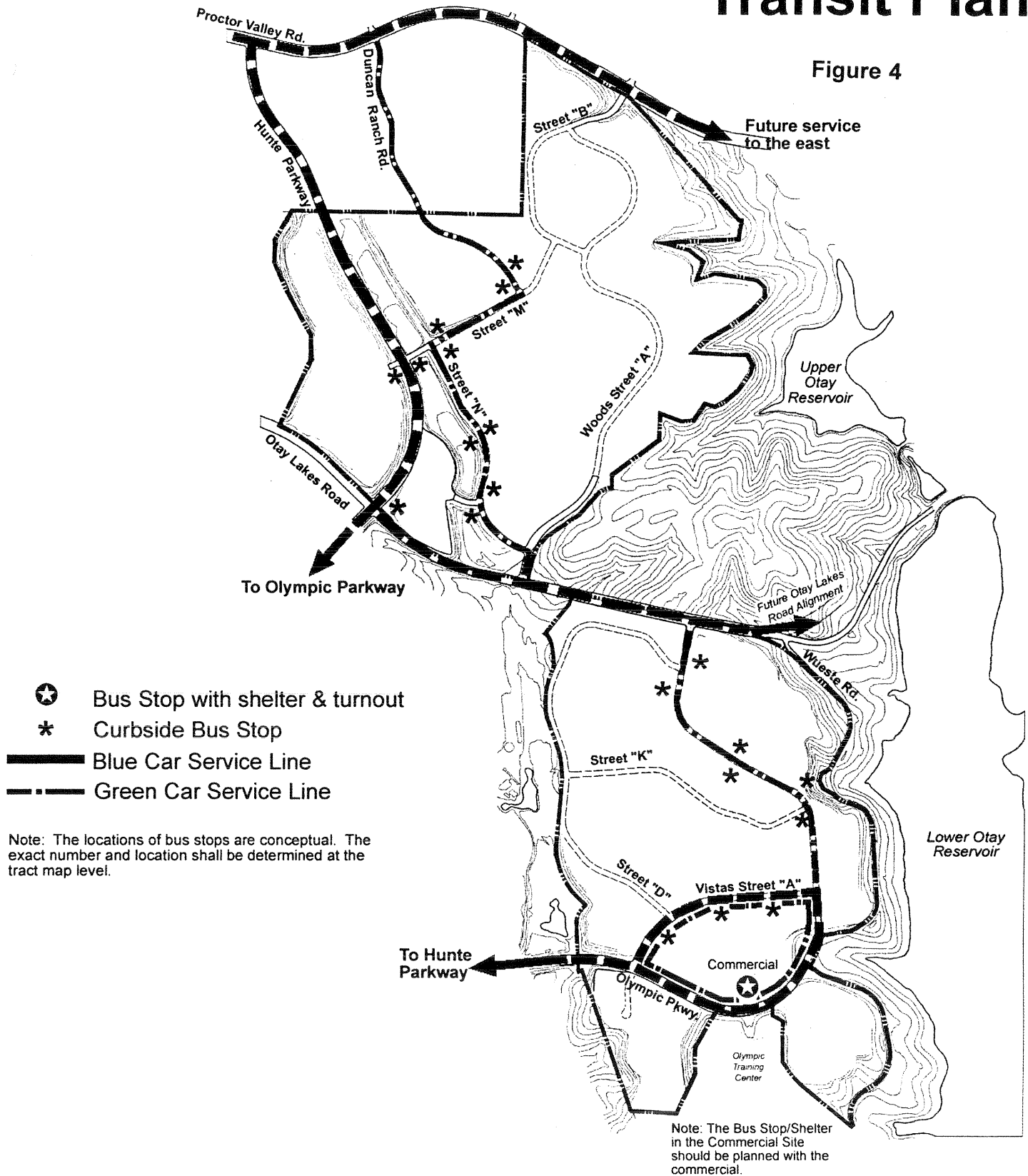
**High** - Bus stop sign/pole/bench/shelter/turnout

All bus stops shall meet or exceed ADA bus stop accessibility standards.

<u>Basic Bus Stop Costs (Qty 20)</u>		<u>Improved Bus Stop (Qty 1)</u>	
Pole	\$100		\$100
Sign	\$100		\$100
Bench	\$300		\$300
Trash Recp.	\$150		\$150
Pad (10'x25')	\$2,500		\$2,500
Shelter	\$0		\$5,500
Turnout	\$0		\$15,000
Total	\$3,150		\$23,650

# Transit Plan

Figure 4





#### 4.4.1.11 Trip Generation and Phasing

##### 4.4.1.11.1 Project Trip Generation

The proposed project will generate approximately 31,090 average daily trips with 19,510 trips resulting from residential units, 1,860 trips from elementary and middle schools, 100 from a fire station, 270 from a neighborhood park, 8,540 from a neighborhood shopping center, and 820 trips resulting from other community facilities within the project land uses. Of these total project trips, 8,580 daily trips will be generated by the Woods master planned community of the project north of Otay Lakes Road and 22,520 daily trips will be generated by the Vistas master planned community of the project south of Otay Lakes Road.

For purposes of the Traffic Impact Analysis, the project was subdivided into two phases. Phase I, which is defined as Years 2001 to 2005, is expected to generate 13,730 trips per day and phase II, which is defined as Years 2005 to 2010, is expected to generate an additional 17,360 daily trips. The phasing analysis also determined the amount of development that can be accommodated by the transportation system during each phase of the project.

Table 10 shows the total project trip generated by SPA. Table 11 shows the project trip generation based on the traffic analysis SPA phasing and its Equivalent Dwelling Units (EDU).

**Table 10 Eastlake III SPA Trip Generation Land Use**

SPA	SFR @ 10	MFR @ 8	E. Sch. @ 60	M. Sch. @ 40	Park @ 20	Com. Retail. @ 400	Comm. Tourist @ 200	Community. Facility @ 100	Fire Station @ 100
Woods	6,620	0	860	1,000	0	0	0	0	100
Vistas	8,510	4,380	0	0	270	4,800	3,740	820	0
<b>TOTAL</b>	<b>15,130</b>	<b>4,380</b>	<b>860</b>	<b>1,000</b>	<b>270</b>	<b>4,800</b>	<b>3,740</b>	<b>820</b>	<b>100</b>

*Note: Trip generation rate per Traffic Impact Analysis, Eastlake III, LL&G Engineers (March 5, 2001)*

**Table 11 Eastlake III SPA Trip Generation by Phase and EDUs**

Phase	Build-out Year	Total Trips	Project Build- out Trips	Total EDUs	Cumulative EDUs
<b>Woods Ph-I</b>	2005	6,370	6,370	627	627
<b>Vistas Ph-I</b>	2005	7,360	13,730	730	1,357
<b>Woods Ph-II</b>	2010	2,210	15,940	35	1,392
<b>Vistas Ph-II</b>	2010	15,150	31,090	1,108.4	2,500.4
Total		31,090	31,090	2,500.4	2,500.4

*Note: Trip generation rate per Traffic Impact Analysis, Eastlake III, LL&G Engineers (March 5, 2001)*



The traffic report assumed the following project land uses:

- 1,513 single family dwelling units,
- 548 multi-family dwelling units,
- 30.7 acre neighborhood Retail and Tourist commercial,
- 14.3 acre elementary school,
- 25.1 acre middle school,
- 8.2 acre community purpose facility,
- 13.5-acre public park, and
- 1.7 acre private recreational.

- \* The equivalent dwelling units (EDU) for transportation facilities is based on the current city ordinances noted in Section 4.3.6 of this report. Each single family detached dwelling shall be considered one EDU for the purpose of calculating the Transportation Development Impact Fee (TDIF). A single family attached dwelling shall be 1 EDUs. Each multi-family dwelling shall be considered 0.6 EDUs. Commercial/Office shall be charged at the rate of 25.0 EDUs per gross acre of land.

### **Phasing Reconciliation**

The traffic impact for the Eastlake III project was analyzed in two phases of five-year increments each as follows:

Phase I	(Year 2005) ADT: 13,730	EDU: 1,357
Phase II	(Year 2010) ADT: 31,090	EDU: 2,500

**This phasing differs from the project's construction phasing contained in the SPA plan, which is anticipated to proceed in three phases. However, the total trips generated by the project build-out under the SPA Plan phasing remains the same as in the *Traffic Impact Analysis* at 31,090.**

The circulation system addressed and recommended in the *Traffic Impact Analysis* of the project Environmental Impact Report (EIR) includes all improvements based on average daily trips (ADT) and the trigger points for those needed improvements.

### **Network Analysis**

The analysis of network performance under the Eastlake III scenarios was based on the traffic forecasting methodologies and land use forecast information contained in the Series 9 Transportation Model, developed and operated by San Diego Association of Governments (SANDAG). LL&G Engineers worked with the City of Chula Vista and SANDAG to input the proper land use and network designations into the model for the eight (8) scenarios listed below. Series 9 regional projections for population and employment were utilized in the Eastlake III traffic forecasting model runs.

SANDAG staff performed all transportation modeling for the Eastlake III Transportation Analysis under the direction of Linscott Law & Greenspan and the City of Chula Vista.

- Existing Conditions;
- Year 2005 w/o SR-125;
- Year 2005 w SR-125;
- Year 2010 w SR-125;
- Year 2015 w SR-125;
- Year 2020 w SR- 125;
- Buildout traffic volumes with Alta Road; and
- Buildout traffic volumes w/o Alta Road.

Under each of the eight scenarios, some key network assumptions were made by the project team.

- 1. Existing Conditions:** Project traffic is added to existing traffic. Olympic Parkway is fully funded and opened to traffic between I-805 and Medical Center Drive/Brandywine Avenue prior to project completion as a 6 lane prime arterial.
- 2. Year 2005:** SR-125 is not constructed. However, extensions of Olympic Parkway (6-lane Prime) and Palomar Street are fully funded and completed between I-805 and Wueste Road and I-805 and east of La Media Road (Otay Lakes Road) respectively.
- 3. Year 2005:** SR-125 is assumed completed as a toll road in addition to the extensions of Olympic Parkway (6-lane Prime) and Palomar Street are fully funded and completed between I-805 and Wueste Road and I-805 and east of La Media Road (Otay Lakes Road) respectively.
- 4. Year 2010:** In addition to the network assumptions for Year 2005 with SR-125 as a toll-road, Eastlake Parkway is completed as a six-lane prime arterial south of SDG&E easement to Birch Road and Paseo Ranchero is completed as a 6 lane prime arterial southerly of Rock Mountain Road. The northbound on-ramp and southbound off-ramp at I-805/East Palomar Street interchange are opened to traffic.
- 5. Year 2015:** In addition to the network assumptions for Year 2010, Rock Mountain Road and Otay Valley Road are completed and opened to traffic between SR-125 and Paseo Ranchero (SR-125 is assumed built as toll road).
- 6. Year 2020:** Same circulation assumptions as Year 2015 scenario (SR-125 is assumed built as toll road) Paseo Ranchero is

extended south as a 6 lane prime arterial to County of San Diego connection.

- 7. Build-Out:** with Alta Road connecting the City's Eastern Territories and the Otay Mesa community and SR-125 operating as a Freeway.
- 8. Build-Out:** without Alta Road connecting the City's Eastern Territories and the Otay Mesa community and SR-125 operating as a Freeway.

#### **4.4.1.11.2 Network Performance Assessment Process**

The *Traffic Impact Analysis*, included the traffic model projections for cumulative development projects. The Study also identified the number of daily trips for each phase of the development project on key roadway segments in order to perform the analysis of network performance based on daily segment levels of service. This evaluation was performed for all Study Area arterial and freeway segments. A review of peak hour intersection operations was also performed which required the application of peak hour factors to average daily traffic volumes to develop peak hour turning movements at each of the key project intersections.

The Eastlake III development phasing shown herein is consistent and conforms to the phasing contained in the EIR Traffic Study. Development of Eastlake III contributes 13,730 daily trips during phase I (2000-2005), and an additional 17,360 daily trips during phase II (2005-2010). This results in cumulative total trips of 31,090 daily trips loaded onto the circulation network at the build-out of the Eastlake III development. **Although, the Public Facilities Financing Plan report makes reference to project development phasing, the roadway improvements are triggered by traffic triggers or Dwelling Units (DU's) and these traffic triggers shall be the overriding condition/scenario that needs to be adhered to for roadway improvements as noted in the Traffic Impact Analysis report for Eastlake III, prepared by LL&G and dated March 5, 2001.**

Eight network development scenarios were analyzed for Phases I and II of the Eastlake III development project as follows:

The existing plus project analysis was prepared by adding the project trips to existing traffic. The established significant criteria stipulates that the project would have no significant impact on those roadway network intersections and segments, which were calculated to operate at an acceptable LOS. The Traffic Impact Analysis indicates that the following freeway and arterial street segments and intersections would operate at level of service below the City's threshold standards

volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

- *East H Street between I-805 and Hidden Vista Drive, and*
- *Otay Lakes Road between Telegraph Canyon Road and north of East H Street.*

Project Impact:

- *Olympic Parkway between SR-125 and Hunte Parkway.*

**C. Impacted Peak Hour Intersections**

Cumulative Impact:

- *East H St. / I-805 SB ramps (LOS E in the AM and LOS F in the PM),*
- *East H St. / Hidden Vista Drive (LOS F in the PM peak hour),*
- *Telegraph Canyon Road / I-805 SB Ramps (LOS F in the PM peak hour), and*
- *Telegraph Canyon Road / I-805 NB Ramps (LOS E in the AM peak hour),*

Project Impact:

*There are no intersection improvements associated with the project impact.*

**Phase I (Year 2005 With SR-125 as Toll Road)**

**Total Cumulative ADT's: 13,730 trips &**

**Total Cumulative EDU's: 1,357**

This scenario analyzes the impacts associated with the Eastlake III build-out of Phase I on the projected year 2005 circulation system. Olympic Parkway would be extended as a 4-lane roadway easterly to Wueste Road and SR-125 would be built as a Toll Road under this alternative.

**A. Impacted Freeway Segments**

Cumulative Impact:

- *I-805 between Bonita Road to East Street (LOS F1), and*
- *I-805 East H Street to Telegraph Canyon Road (LOS F0).*

**Phase I (Year 2005 Without SR-125)**  
**Total Cumulative ADT's: 13,730 trips &**  
**Total Cumulative EDU's: 1,357**

This scenario analyzes the impacts associated with the Eastlake III build-out of Phase I on the projected year 2005 circulation system. Olympic Parkway would be extended as a four-lane Major Arterial from Hunte Parkway to Wueste Road and SR-125 would not be built under this alternative.

#### **A. Impacted Freeway Segments**

##### Cumulative Impact:

- *I-805 between Bonita Road to East Street (LOS F3), and*
- *I-805 East H Street to Telegraph Canyon Road (LOS F1).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development projects in the South bay area, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation.

##### Project Impact:

*There are no freeway improvements associated directly with the project impact.*

#### **B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS F),*
- *Telegraph Canyon Road between I-805 and Paseo Ranchero (LOS D),*
- *Otay Lakes Road between Telegraph Canyon Road and north of East H Street (LOS F),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS E),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F), and*
- *Eastlake Parkway north of Otay Lakes Road (LOS D).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour

### **C. Impacted Peak Hour Intersections**

All intersections within the study area are forecasted to operate at an acceptable LOS under this scenario.

#### **Phase II (Year 2010 With SR-125 as a Toll Road)**

**Total Cumulative ADT's 31,090 trips &**

**Total Cumulative EDU's: 2,500**

This scenario analyzes the impacts associated with the Eastlake III build-out on the projected year 2010 circulation system. Olympic Parkway would be built as a 4-lane roadway easterly to Wueste Road and SR-125 as toll road under this alternative.

### **A. Impacted Freeway Segments**

#### Cumulative Impact:

*I-805 between Bonita Road and Telegraph Canyon Road (Significant Impact).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. The Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development plans for the South bay, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation. Mitigation strategies for this facility could include the widening of this segment of I-805 freeway to a ten-lane facility.

#### Project Impact:

*There are no freeway improvements associated directly with the project impact.*

### **B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Telegraph Canyon Road between I-805 and Paseo Del Rey (LOS E),*
- *Telegraph Canyon Road between Paseo Del Rey and Paseo Ranchero (LOS D),*
- *Otay Lakes Road between Telegraph Canyon Road and north of East H Street (LOS F),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS E),*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development projects in the South bay area, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation.

Project Impact:

*There are no freeway improvements associated directly with the project impact.*

**B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Telegraph Canyon Road between I-805 and Paseo Del Rey (LOS D),*
- *Otay Lakes Road north of East H Street (LOS D),*
- *Otay Lakes Road between Otay Lakes Road and East H Street (LOS E),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS D),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F), and*
- *Eastlake Parkway north of Otay Lakes Road (LOS E).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

*There are no arterial segment improvements associated with cumulative impact.*

Project Impact:

*Olympic Parkway between SR-125 and Hunte Parkway.*

- *Olympic Parkway between Palomar Street and SR-125 (LOS D)*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F),*
- *Birch Road between La Media and SR-125 (LOS E),*
- *Paseo Ranchero south of Main Street (LOS D),*
- *Eastlake Parkway north of Otay Lakes Road (LOS E), and*
- *Eastlake Parkway between Olympic Parkway and Birch Road (LOS D).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

- *Otay Lakes Road between Telegraph Canyon Road and north of East H Street, and*
- *Olympic Parkway between SR-125 and Hunte Parkway.*

Project Impact:

*There are no arterial segment improvements associated with project impact.*

### **C. Impacted Peak Hour Intersections**

All intersections within the study area are forecasted to operate at an acceptable LOS under this scenario.

**Phase II (Year 2015 with SR-125 as A toll Road)**

**Total Cumulative ADT's: 31,090 trips &**

**Total Cumulative EDU's: 2,500**



This scenario analyzes the impacts associated with the Eastlake III build-out on the projected year 2010 circulation system. Olympic Parkway would be built to its ultimate configuration (6-lane roadway) easterly to Wueste Road and SR-125 as toll road under this alternative.

### **A. Impacted Freeway Segments**

#### Cumulative Impact:

*I-805 between Bonita Road and Telegraph Canyon Road (Significant Impact).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. The Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development plans for the South bay, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation. Mitigation strategies for this facility could include the widening of this segment of I-805 freeway to a ten-lane facility.

#### Project Impact:

*There are no freeway improvements associated directly with the project impact.*

### **B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Telegraph Canyon Road between I-805 and Paseo Ranchero (LOS D),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS D),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F),*
- *Olympic Parkway between Hunte Parkway and Wueste Road (LOS D),*
- *Birch Road between La Media Road and SR-125 (LOS E), and*
- *Eastlake Parkway between Birch Road and north of Otay Lakes Road (LOS E).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour

operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

*Olympic Parkway between SR-125 and Hunte Parkway.*

Project Impact:

*There are no arterial segment improvements associated with project impact.***C.**  
**Impacted Peak Hour Intersections**

All intersections within the study area are forecasted to operate at an acceptable LOS under this scenario.

**Phase II (Year 2020 with SR-125 as a Toll Road)**

**Total Cumulative ADT's: 31,090 trips &**

**Total Cumulative EDU's: 2,500**

This scenario analyzes the impacts associated with the Eastlake III build-out on the projected year 2010 circulation system. Olympic Parkway would be built to its ultimate configuration (6-lane roadway) easterly to Wueste Road and SR-125 as toll road under this alternative.

**A. Impacted Freeway Segments**

Cumulative Impact:

*I-805 between Bonita Road and Telegraph Canyon Road (Significant Impact).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. The Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development plans for the South bay, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation. Mitigation strategies for this facility could include the widening of this segment of I-805 freeway to a ten-lane facility.

Project Impact:

*There are no freeway improvements associated directly with the project impact.*

**B. Impacted Arterial Mitigation**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Telegraph Canyon Road between I-805 and Paseo Ranchero (LOS D),*
- *Otay Lakes Road between SR-125 and Eastlake Parkway (LOS D),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS E),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F),*
- *Olympic Parkway between Hunte Parkway and Wueste Road (LOS D),*
- *Eastlake Parkway north of Otay Lakes Road (LOS D),*
- *Eastlake Parkway between Olympic Parkway and Birch Road (LOS E),*  
*and*
- *Hunte Parkway between SDG&E easement and SR-125 (LOS E).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

*Olympic Parkway between SR-125 and Hunte Parkway.*

Project Impact:

*There are no arterial segment improvements associated with project impact.*

**C. Impacted Peak Hour Intersections**

Project Impact:

*Olympic Parkway and Wueste Road (LOS F during the PM peak hour).*

**Phase II (Build-out with Alta Road and SR-125 operating as a freeway)**  
**Total Cumulative ADT's: 31,090 trips &**  
**Total Cumulative EDU's: 2,500**

This scenario analyzes the impacts associated with the Eastlake III build-out on the projected Build-out of the City's circulation system. SR-125 will be completed as a freeway and Alta Road is constructed to provide a north south connection between the City's Eastern Territories and Otay Mesa community of the City of San Diego to the south.

#### **A. Impacted Freeway Segments**

##### Cumulative Impact:

*I-805 between Bonita Road and Telegraph Canyon Road (Significant Impact).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. The Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development plans for the South bay, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation. Mitigation strategies for this facility could include the widening of this segment of I-805 freeway to a ten-lane facility.

##### Project Impact:

*There are no freeway improvements associated directly with the project impact.*

#### **B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Otay Lakes Road between SR-125 and Eastlake Parkway (LOS F),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS D),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F),*
- *Rock Mountain Road between La Media Road and SR-125 (LOS D),*
- *Eastlake Parkway north of Otay Lakes Road (LOS D), and*
- *Eastlake Parkway between Olympic Parkway and Birch Road (LOS D).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted

segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

- *Otay Lakes Road between SR-125 and Eastlake Parkway, and*
- *Olympic Parkway between SR-125 and Hunte Parkway.*

Project Impact:

*There are no arterial segment improvements associated with project impact.*

### **C. Impacted Peak Hour Intersections**

Project Impact:

*Olympic Parkway and Wueste Road (LOS F during the AM and PM peak hours).*

### **Phase II (Build-out without Alta Road and SR-125 operating as a Freeway)**

**Total Cumulative ADT's: 31,090 trips &  
Total Cumulative EDU's: 2,500**

This scenario analyzes the impacts associated with the Eastlake III build-out on the projected Build-out of the City's circulation system. SR-125 will be completed as a freeway. Under this scenario, and there is connection between the City's Eastern Territories and Otay Mesa community via Alta Road.

### **A. Impacted Freeway Segments**

Cumulative Impact:

- *I-805 between Bonita Road to East Street (LOS F3), and*
- *I-805 East H Street to Telegraph Canyon Road (LOS F3).*

Creation of a Deficiency Plan under the Congestion Management Program (CMP) by SANDAG, Caltrans, APCD, MTDB, the City of Chula Vista and the County of San Diego. The Deficiency Plan should identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one

of many development plans for the South bay, which will contribute to the cumulative daily traffic volume growth. The early development of the Deficiency Plan will assist in the identification of Eastlake III project fair-share contributions for improvements and mitigation. Mitigation strategies for this facility could include the widening of this segment of I-805 freeway to a ten-lane facility.

Project Impact:

*There are no freeway improvements associated directly with the project impact.*

**B. Impacted Arterial Segments**

- *East H Street between I-805 and Hidden Vista Drive (LOS E),*
- *Otay Lakes Road between SR-125 and Eastlake Parkway (LOS F),*
- *Olympic Parkway between I-805 and Oleander Avenue (LOS D),*
- *Olympic Parkway between SR-125 and Hunte Parkway (LOS F),*
- *Olympic Parkway between Hunte Parkway and Wueste Road (LOS E),*
- *Rock Mountain Road between La Media Road and SR-125 (LOS E),*  
*and*
- *Eastlake Parkway north of Otay Lakes Road (LOS D).*

There are no improvements recommended under this scenario for those roadway segments with intersections operating at LOS D or better. Improvement of peak hour intersection operations adjacent to impacted segments can potentially provide the necessary segment mitigation by increasing the ability of arterial intersections to accommodate peak hour volumes while maintaining acceptable level of service. The provision of enhanced intersection geometric and achievement of acceptable peak hour operation positively influences arterial flow and allows segments to operate more efficiently. The following arterial segments need improvements since their associated intersections operate at a level of service below D and do not meet the threshold standards.

Cumulative Impact:

- *Otay Lakes Road between SR-125 and Eastlake Parkway, and*
- *Olympic Parkway between SR-125 and Hunte Parkway.*

Project Impact:

*There are no arterial segment improvements associated with project impact.*

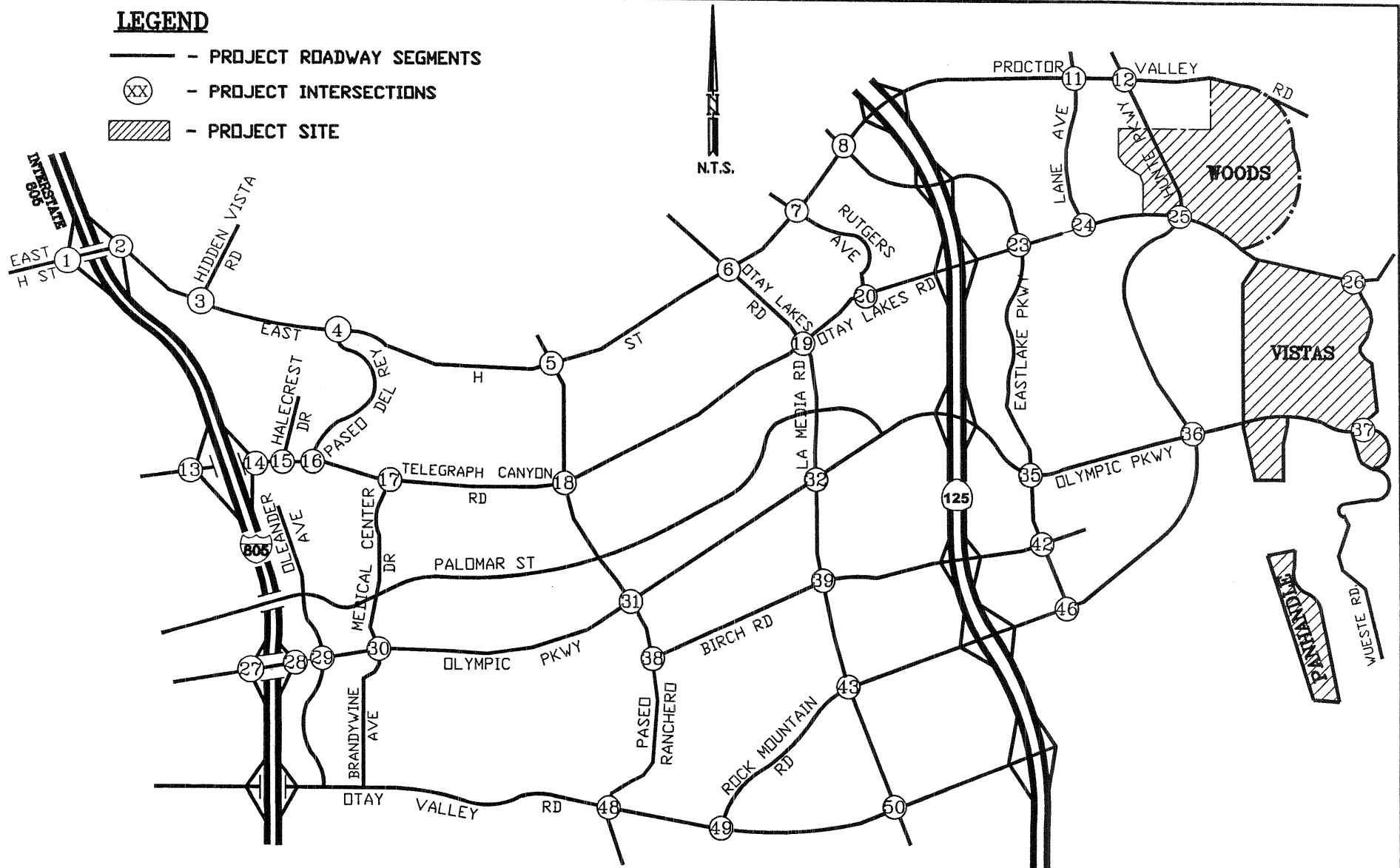
### **C. Impacted Peak Hour Intersections**

#### Project Impact:

*Olympic Parkway and Wueste Road (LOS F during the AM and PM peak Hours).*

# **LEGEND**

- PROJECT ROADWAY SEGMENTS
- (XX) - PROJECT INTERSECTIONS
- PROJECT SITE



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**AREA CIRCULATION  
NETWORK**

**EASTLAKE III PFFP  
CITY OF CHULA VISTA**

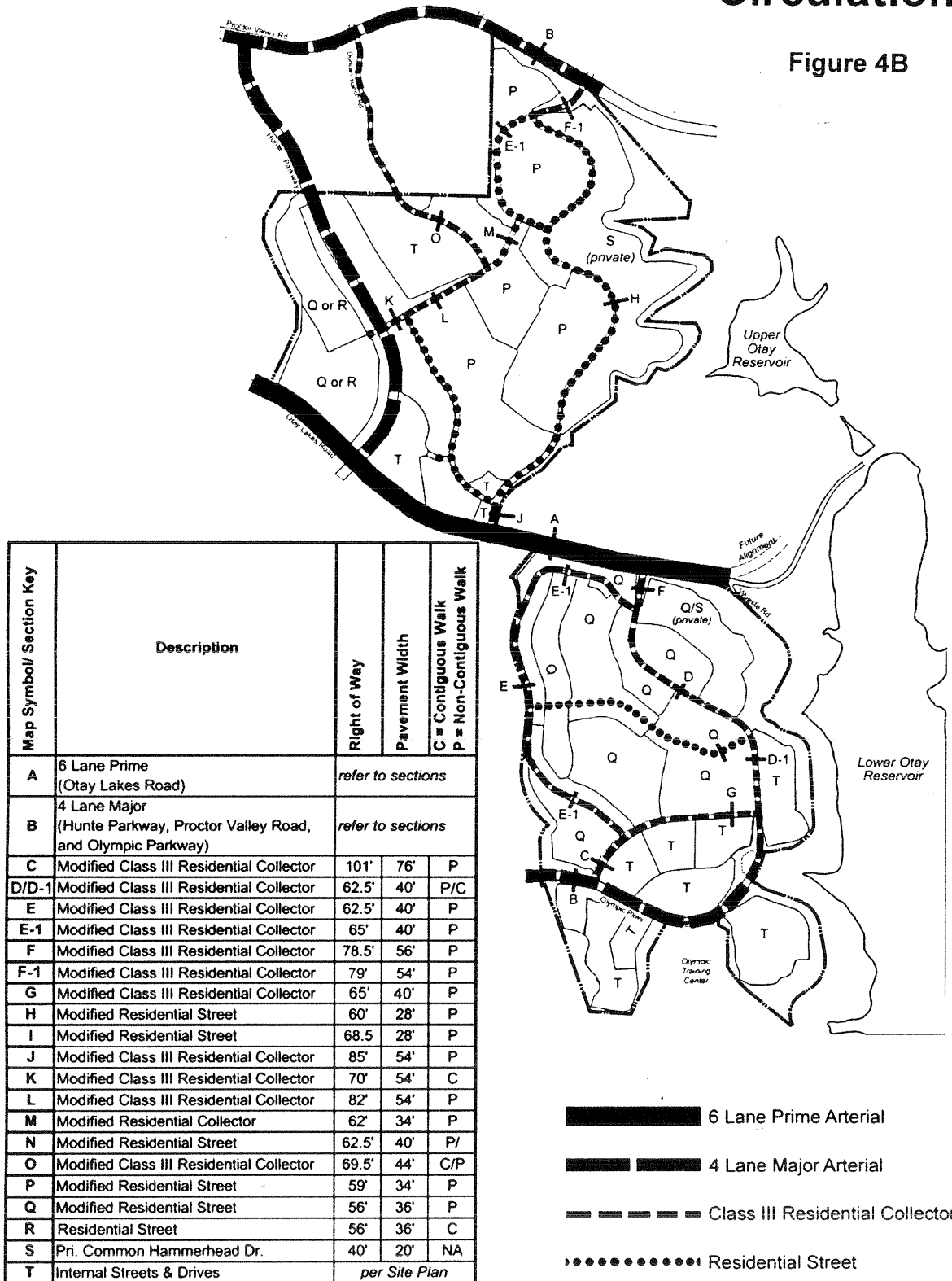
**FIGURE  
4A**





# Circulation

Figure 4B



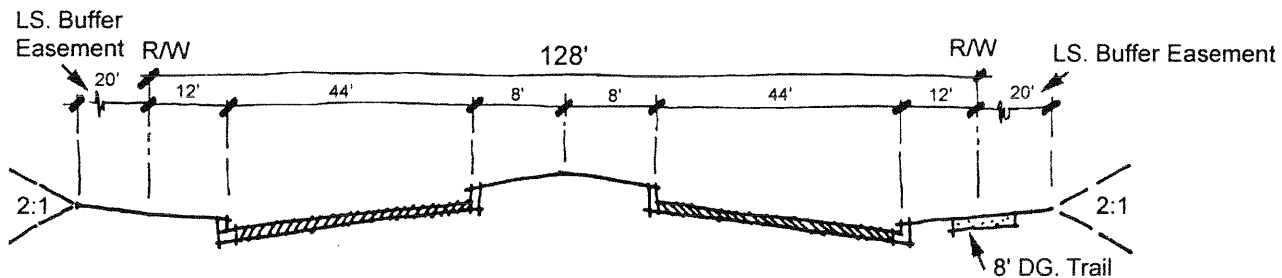
Note: Transitions of street classification changes (or to existing roads) and phasing of improvements to be determined at Tentative Map stage.

Note: Refer to Sections for Modifications

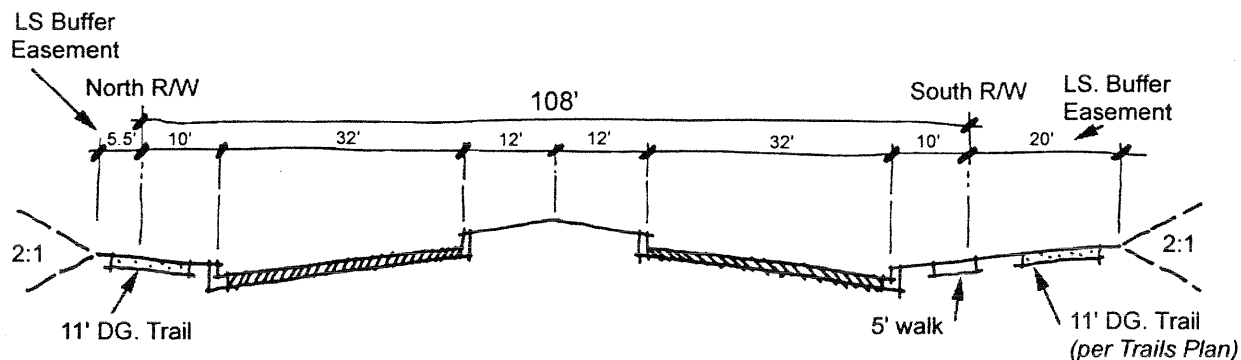


# Arterial Highway Sections

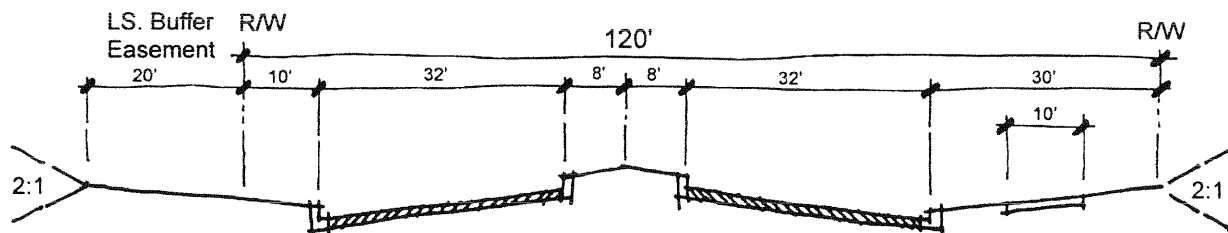
Figure 4C



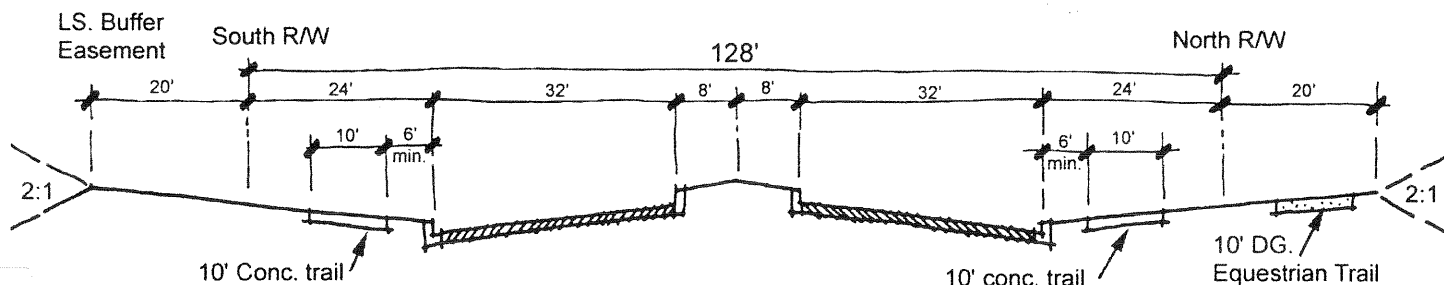
Typical Section "A" - Otay Lakes Road



Typical Section "B" - Olympic Parkway



Typical Section - Hunte Parkway



Typical Section - Proctor Valley Road



#### 4.4.1.12 Short-Term Adequacy Analysis

The adequacy of the traffic system is based upon the Traffic Impact Analysis, which considered two short-term scenarios for the development of the project. First scenario considers SR-125 not built by the year 2005 and the second scenario considers SR-125 built as a toll road by 2005. The analysis of the two scenarios was necessary in order to provide adequate mitigation for increased traffic levels for the initial phases of the project in the event SR-125 is not completed as scheduled. The approval and subsequent opening of SR-125 should allow the City to implement the second scenario analysis mitigation measures outlined in the Traffic Impact Analysis. In any case, maintenance of the City's Growth Management Threshold Standards for level of services is required.

**Arterial roadway segments** were analyzed to determine whether a project-related impact is "significant" or "less than significant". If ADT methodology indicates LOS C or better, impact is not significant. If ADT methodology indicates LOS D, E or F, the Growth Management Oversight Committee method should be utilized. The following criteria then would be utilized.

A. Direct project impact if all the following criteria are met:

1. Level of service is D for more than two (2) hours or LOS E/F for one (1) (GMOC criteria).
2. Project trips comprise Five percent (5%) or more of segment volume.
3. Project adds greater than 800 ADT to segments.

B. Cumulative impact if only criteria No. 1 is met.

The City of Chula Vista General Plan Circulation Element mandates LOS C design capacity or better as acceptable for arterial roadway segment ADT volumes. These standards are generally used as long-range planning guidelines to determine the functional classification of roadways and maintain a quality circulation system for Southbay residents under ultimate, build-out conditions. It should be recognized that the actual functional capacity of roadway facilities varies by the actual characteristics, which exist on each facility under review. Typically, the performance and LOS of a roadway segment is based on the ability of arterial intersections to accommodate peak hour volumes. Special designs of intersections to achieve acceptable levels of service and lower levels of approach delay could result in higher capacities than those shown in Table 9, City of Chula Vista Standards.

In addition to conformance with the arterial roadway performance standards detailed above, the project will be required to conform to the threshold standards included in the Traffic section of the adopted Growth Management Ordinance. The project's participation in the City's annual review of network

performance is mandated as all major circulation element facilities within the City of Chula Vista are included in the annual Traffic Monitoring Program report prepared by the Public Works Department, Engineering Division, and reviewed for conformance by the Growth Management Oversight Commission (GMOC)

**Adequacy analysis prior to SR-125:** Under the direction of the City of Chula Vista, LL&G prepared a capacity analysis to identify the number of building permits that could be issued before GMOC thresholds would be exceeded. The analysis addressed the segments of East H Street between I-805 freeway and Southwestern College Entrance, Telegraph Canyon Road between Halecrest Avenue and Otay Lakes Road, and Otay Lakes Road between East H Street and Telegraph Canyon Road. These roadway segments are considered critical corridors for land development in the City's eastern territories before the opening of SR-125 Freeway. The East H Street and Telegraph Canyon Road segments are considered critical circulation links because they provide direct access to the regional freeway network for eastern territory development. The analysis used a linear regression formula with peak hour traffic volumes as a function of level of service based on the City's historical Traffic Monitoring Program (TMP) results and the 24-hour ADTs. Thus, this formula basically reflects the City's TMP methodology.

**Peak Hour Intersections** were analyzed to determine whether a project related impact is "significant" or "less than significant" under two (2) conditions

Near-Term or Pre-Year 2005

An impact is considered a project impact if both the following criteria are met:

- ✓ Level of Service (LOS) is LOS E or F.
- ✓ Project trips comprise Five percent (5%) or more entering volumes.

The impact is considered cumulative in only criteria No. 1 is met.

**Freeway Segment Impacts/Mitigation:** were analyzed to determine whether a project related impact is "significant" or "less than significant".

An impact is considered a project impact if both the following criteria are met:

- ✓ Freeway segment Level of Service is LOS E or F.
- ✓ Project trips comprise Five percent (5%) or more of the total forecasted ADT on that freeway segment.

The impact is considered cumulative in only criteria No. 1 is met.

Impacts to freeway segments for the portions of I-805 in the vicinity of Eastlake III project have been identified and some segments are forecasted to

operate at LOS F. Under the regional Congestion Management Plan (CMP) a reduction in freeway segment level of service from LOS E to LOS F is considered a significant impact and requires the development of a Deficiency Plan. This Plan would be developed jointly by SANDAG, Caltrans, APCD, MTDB, and the City of Chula Vista.

One of the main purposes of the Deficiency Plan is to identify where and when a deficiency is expected to occur before it actually happens. Eastlake III is one of many development plans for the Southbay, which will contribute to the cumulative daily traffic volume growth, especially in the I-805 corridor. The early development of the Deficiency Plan by the multi-agency team will assist in the identification of project only fair-share contributions for improvements and mitigation.

Subsection C of Municipal Code Section 19.09.100 (Growth Management Ordinance) requires that if the City Manager determines that facilities or improvements within a PFFP are inadequate to accommodate any further development within that area the City Manager shall immediately report the deficiency to the City Council. If the City Council determines that such events or changed circumstances adversely affect the health, safety or welfare of City, the City may require amendment, modification, suspension, or termination of an approved PFFP.

#### **4.4.1.13 Cost & Financing Traffic Improvements**

##### **Roadway Improvements**

The following table 12a-d summarize Eastlake III major roadway requirements as they relate to the project based on the Traffic Impact Analysis. Said Tables 12a and 12b present trigger points for: 1) the traffic mitigation measures identified in the SEIR, and 2) those facilities required to serve the project in accordance with City's ordinances and policies. Table 12c includes the traffic mitigation measures identified in the SEIR. Table 12d presents the estimated cost of the offsite improvements required to serve the Project.



**Table 12a Cumulative Dwelling Unit Triggers[1]**

Facility	Description	Off/On-site Improvements	Roadway Unit Triggers (DU)
<b>Woods Unit Triggers</b>			
1a	Otay Lakes Road, Hunte Pkwy to Woods Entrance	Off-site improvement	1
2	Proctor Valley Rd. (along project frontage)	Off-site improvement	547[2]
4	Olympic Parkway, SR 125 to Hunte Pkwy. (6 Lanes)	Off-site improvement	1
6	Connector between Hunte Pkwy and Duncan Ranch Rd.	On-site improvement	1
7	Duncan Ranch Road between RHR to WR-4/5	On-site improvement	604
8	Connector between Facility 6 and 1a	on-site improvement	524
10	Connector between Facility 1a and 2	On-site improvement	453
11	Otay Lakes Road, East H Street to Telegraph Canyon Road (widen to 6 lanes)	Off-site improvement	1259[4]
<b>Vistas Unit Triggers</b>			
1b	Otay Lakes Road, Hunte Pkwy to Vistas Entrance	Off-site improvement	1
1c	Otay Lakes Road, Vistas Entrance to Wueste Road	Off-site improvement	1341[3]
4	Olympic Parkway, SR 125 to Hunte Parkway (6 lanes)	Off-site improvement	1
5	Connector between Olympic Parkway to Otay Lakes Road	On-site improvement	1034
9	Connector between Olympic parkway and Facility 5	On-site improvement	715
11	Otay lakes Road, East H Street to Telegraph Canyon Road (widen to 6 lanes)	Off-site improvement	1259[4]

Source: City of Chula Vista and Table 30, page 127, Eastlake III Traffic Impact Analysis report, March 5, 2001, by LL&G

Note:

- [1] Agree to construct and to secure the facility prior to the final map or issuance of a building permit that triggers the cumulative DU's as defined in this Table.
- [2] Pay for constructing this facility prior to final map or issuance of a building permit that triggers the cumulative DU's as defined in this table..
- [3] The trigger point for facility 1c may be waived or modified by the City Engineer based on other health and safety concerns
- [4] Trigger applicable for total number of units of both the Woods and the Vistas. Facility 11 will be required only if the Cumulative Unit Triggers is reached prior to the completion of SR 125..
- [5] The facilities in Table 12a are to be constructed the sooner of the cumulative triggers indicated on Table 12a, or the specific planning area trigger in Table 12b.

**Table 12b Eastlake III Public Facilities Matrix Specific Planning Area Triggers**  
[1]

Phase	Unit	Roadway	Roadway Required for Access ("A") or Frontage ("F")
1	WR-1	10 (FRONTAGE)	F (10)
1	WR-3	10	A, F
1	WR-6	N/A [2]	-
1	WR-7	N/A [2]	-
1	WR-4	6, 8	A, F
2	WR-2	10	A, F
2	WR-5	6, 7	A, F
1	VR-4	9	A, F
1	VR-5	1b	F
1	VR-6	N/A [2]	-
1	VR-10	9	A, F
1	VR-12	N/A [2]	-
2	VR-1	1c (Frontage) 5 (Internal Street)	A (5), F (1c) [2]
2	VR-2	5	A, F
2	VR-3	5, 9	A, F
2	VR-7	N/A [2]	-
2	VR-8	9	A, F
2	VR-9	9	A, F
2	VR-11	5, 9	F
3	C-1	N/A [2]	-
3	C-2	N/A [2]	-
	PQ-1	1a, 6, 8	F
	PQ-2	6, 7	A, F

Source: City of Chula Vista and Table 30A, page 128, Eastlake III Traffic Impact Analysis report, March 5, 2001, by LL&G

Note:

- [1] Agree to construct and to secure the facility prior to the first final map or issuance of a building permit in this planning area.
- [2] The trigger point for Facility 1c may be waived or modified by the City Engineer based on other health and safety concerns.[3]Refer to table 12a for cumulative requirements. The facilities in Table 12a are to be constructed the sooner of the cumulative triggers indicated on Tables 12a, or the specific planning area trigger in Table 12b.

**Table 12c Significant Impacts and Mitigation Measures Eastlake III**

Significant Impacts	Draft Mitigation Measures
<b><u>A. Direct Impacts</u></b>	
1) Olympic Pkwy SR 125 to Hunte Pkwy	1) Construct to 6 lane Prime Arterial standards.
2) Otay Lakes Road East "H" St. to Telegraph Canyon Road.	2) No mitigation needed until development exceeds 1,259 units. If development exceeds 1,259 units without SR 125 widen to 6 lanes of construct intersection improvements on Otay Lakes Road which provides additional capacity to the satisfaction of the City Engineer.
<b><u>B. Cumulative Impacts</u></b>	
3) Olympic Eastlake Pkwy	3) Amend the General Plan to designate as an 8 lane Prime Arterial. Contribute a fair share towards the construction of the additional lane.
4) Otay Lakes Road Eastlake Pkwy	4) Amend the General Plan to designate as a 7 lane Prime Arterial. Contribute a fair share towards the construction of the additional lane.
5) Otay Lakes Road to Telegraph Canyon Road	5) Amend the General Plan to designate as a 6 lane Prime Arterial. Contribute a fair share towards the construction of the additional lane.
6) Otay Lakes Road Bonita Road to H Street	6) Amend the General Plan to designate as a 6 lane Prime Arterial. Contribute a fair share towards the construction of the additional lane.
7) Several Intersections and roadways only (without SR 125)	7) Prior to the construction of SR-125, the City shall stop issuing new building permits for Eastlake III when the City, in it's sole discretion, determines either:  1. Building Permits for a total of 9,429 dwelling units have been issued for projects east of I-805 or  2. An alternative measure is selected by the City in accordance with the City of Chula Vista Growth management Ordinance.  The start date for counting the 9,429 dwelling units is January 1, 2000. Notwithstanding the foregoing, the City may issue building permits if the City decides in it's sole discretion that either traffic studies demonstrate, to the satisfaction of the City Engineer, that the circulation system, has additional capacity without exceeding the GMOC traffic threshold standards; other improvements are constructed which provide additional necessary capacity; or the City selects an alternative method of implementing the GMOC standards. These traffic studies would not require additional environmental review under CEQA. However, any improvements proposed in these traffic studies would be subject to additional environmental review as required.

Source: Table 33, page 138, Eastlake III Traffic Impact Analysis report, March 5, 2001, by LL&G

**Table 12d Roadway Improvement Estimated Costs  
(Off-Site Direct Impact)**

Roadway Improvement (Off-Site Direct Impact)	Roadway Costs
<ul style="list-style-type: none"> <li>Construct Olympic Parkway as a six-lane Prime Arterial between SR-125 and Hunte Parkway.</li> </ul>	\$10,120,000
<ul style="list-style-type: none"> <li>Construct Proctor Valley Rd as a four-lane major Arterial roadway along the northerly frontage the project (Woods SPA).</li> </ul>	\$1,665,000
<ul style="list-style-type: none"> <li>Widen Otay Lakes Road to a six-lane prime arterial between East H Street and Telegraph Canyon Road.</li> </ul>	\$1,694,000
<ul style="list-style-type: none"> <li>Construct Otay Lakes Road as a six-lane Prime Arterial between Hunte Parkway and the Vistas SPA entrance.</li> <li></li> </ul>	\$3,238,000 \$
<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Construct ultimate improvements along Otay Lakes Road's southerly side, i.e. curb, gutter, and sidewalk along the northerly frontage of the Vista's neighborhood in addition to roadway construction, which shall consist of transitional roadway improvements (from 6-lane Prime Arterial to existing conditions) between the Vista's SPA entrance and Wueste Road.</li> </ul>	\$895,000
<b>Total</b>	<b>\$17,612,000</b>

Note: Table 12d estimated costs subject to change. Nonetheless, developer is required to construct these improvements regardless of final costs.

### **Transportation Development Impact Fees (DIF)**

On December 7, 1993, the Chula Vista City Council adopted Ordinance 2580 amending Ordinance 2251 which previously commenced collection of transportation development impact fees (TDIF) to be used to construct circulation element transportation facilities to accommodate increased traffic generated by new development within the City's eastern territories. The fee was \$3,998 per equivalent dwelling unit (EDU) effective January 1, 1995. City staff completed an update of the TDIF and the City Council approved Ordinance No. 2802 on November 16, 1999 imposing a new rate of \$5,920 per

EDU. This new rate was subsequently adjusted for inflation on October 1, 2000 to \$6,065 per EDU. This PFFP reflects the newly adjusted TDIF rate.

Also effective January 1, 1995 was an interim pre-SR-125 development impact fee in the amount of \$820 per equivalent dwelling unit to implement the pre-SR-125 strategy as defined in the study entitled "Interim State Route 125 Facility Feasibility Study" prepared by HNTB and dated May 1993.

The Eastlake III project is within the boundaries of the Transportation DIF program and, as such, the project is subject to the payment of the fees at the rates in effect at the time building permits are issued. However, the improvements identified in Table 12 of the PFFP will be required to be constructed according to the approved phasing plan. In this case, the DIF ordinance allows for the issuance of credit in lieu of fees when an eligible facility is constructed by the project. If the total eligible construction cost amounts to more than the total required DIF fees as is indicated below, the owner/developer will be given credits toward future building permits outside of the SPA area.

The following equivalent dwelling units (EDU's) apply to the calculation of impact fees in accordance with Ordinance No's. 2802 for Transportation and 2579 for Interim Pre-SR-125 facilities.

**Table 13      Phasing EDU's for Transportation and Interim Pre-SR-125 Facilities**

Land Use	DUs or ACRES	Development Phases			
		Phase 1	Phase 2	Phase 3	Total EDU's
SFR-DETACHED	1,449.0	812.0	637.0	0.0	1,449.0
SFR-ATTACHED	73.0	0.0	58.4	0.0	58.4
MFR	539.0	143.4	180.0	0.0	323.4
COMMERCIAL	30.7	0.0	0.0	767.5	767.5
<b>EDU's/PHASE</b>		<b>955.4</b>	<b>875.4</b>	<b>767.5</b>	<b>2,598.3</b>

**Table 14 Eastlake III Transportation DIF Fees**

Development Phase	EDU's	Transportation Fee @ \$6,065/EDU
1	955.4	\$5,794,501.00
2	875.4	\$5,309,301.00
3	767.5	\$4,654,887.50
<b>Total</b>	<b>2,598.3</b>	<b>\$15,758,689.50</b>

**Table 15 Eastlake III Interim Pre-SR-125 DIF Fees**

Development Phase	EDU's	Interim Pre-SR-125 Fee @ \$820.00/EDU
1	955.4	\$783,428.00
2	875.4	\$717,828.00
3	767.5	\$629,350.00
<b>Total</b>	<b>2,598.3</b>	<b>\$2,130,606.00</b>

Notwithstanding the amounts stated herein, the amount of the fees to be paid by the Developer will be based upon the fee ordinance in effect at the time of building permits.

#### **Traffic Signal Fee**

Future development within Eastlake III will be required to pay Traffic Signal Fees in accordance with Chula Vista Council Policy No. 475-01. The fee is calculated at \$13.00 per vehicle trip generated per day for various land use categories.

**Table 16 Traffic Signal Fees**

Development Phase	Trips	Traffic Signal Fee @ \$13.00/Trip
<b>All Phases Total</b>	<b>25,004</b>	<b>\$325,052.00</b>

#### **Non-DIF Streets and Signals**

The Eastlake III project contains residential streets and signals that, by city policy, are not eligible for DIF credit. Such non-DIF eligible signals may be eligible for credit against the traffic signal fee. These streets and signals will be funded by the development.

#### **4.4.1.14 Threshold Compliance and Recommendations**

Threshold compliance will continue to be monitored through the annual GMOC monitoring program and the Eastern Chula Vista Transportation Phasing Plan updates. As mentioned before, the required facilities shall be constructed in conformance with Tables 12a and 12b.

Prior to SR-125 construction, the time frame when the GMOC roadway standards may be exceeded is dependent on the number of dwelling units constructed. LL&G Engineers completed an analysis in June 2000, which estimated that 9,429 residential dwelling units could be constructed east of I-805 before the GMOC standards would be exceeded. The analysis concluded that East H Street and Telegraph Canyon Road east of I-805 are the "constraints" in the area street system. Notwithstanding the foregoing, the City may issue building permits if the City decides in its sole discretion that either: traffic studies demonstrate (to the satisfaction of the City Engineer) that the circulation system has additional capacity without exceeding the GMOC traffic threshold standards, other improvements are constructed which provide additional necessary capacity, or the City selects an alternative method of implementing the GMOC standards.

Following is a discussion of the TDIF facilities i.e. Otay Lakes Road and Olympic Parkway which are the responsibilities of the project..

##### **Otay Lakes Road**

Eastlake III shall a) construct Otay Lakes Road as a 6-lane Prime Arterial roadway between Hunte Parkway and Wueste Road, b) contribute a fair share towards the construction of an additional westbound lane for a total of 7 lanes on Otay Lakes Road between SR-125 and Eastlake Parkway and c) widen the north-south segment of Otay Lakes Road between East H Street and Telegraph Canyon Road to a six-lane Prime Arterial or intersection improvements will need to be constructed to the satisfaction of the City Engineer in the event the construction of SR 125 is delayed. Construction of the roadway or intersection improvements shall commence as noted in the Tables 12a-d.

##### **Olympic Parkway**

Eastlake III shall construct Olympic Parkway to a 6-lane Prime Arterial roadway between SR-125 and Hunte Parkway and contribute a fair share toward the cost of widening Olympic Parkway from a 6-lane to an 8-lane Prime Arterial between SR-125 and Eastlake Parkway. Roadway construction shall commence as noted in the Tables 12a-d.

### **Proctor Valley Road**

Eastlake III shall pay its fair share for constructing Proctor Valley Road as a 4-lane Major Arterial along the northerly frontage of the Woods neighborhood as noted in the Tables 12a-d.

### **Traffic Signal at Project Access Points**

Prior to approval of the first final map, which triggers the installation of the related street improvements, the applicant shall enter into an agreement to construct and secure a fully activated traffic signal including interconnected wiring at the following street intersection:

- Proctor Valley Road and Woods Entry Street,
- Hunte Parkway and first Woods Entry Street,
- Hunte Parkway and second Woods Entry Street,
- Otay Lakes Road and Woods Entry Street,
- Otay Lakes Road and Vistas Entry Street,
- Otay Lakes Road and Wueste Road,
- Olympic Parkway and Vistas Entry Street,
- Olympic Parkway and Wueste Road, and
- Wueste Road and Vistas Entry Street.

Developer shall fully design the aforementioned traffic signals as part of the improvement plans for the related street. Developer shall install underground improvements, standards and luminaries in conjunction with the construction of the applicable street improvements. In addition, developer shall install mast arms, signal heads and associated equipment when traffic signal warrants are met as determined by the City Engineer. Single or double left-turn lanes should be provided to ingress each access point as determined by the City Engineer. Single or double left-turn and right-turn lanes shall be provided to egress each access point as determined by the City Engineer.





# POLICE



## **4.4.2 POLICE**

### **4.4.2.1 Threshold Standard**

- A. *Emergency Response*: Properly equipped and staffed police units shall respond to 84 percent of Priority I emergency calls throughout the City within seven (7) minutes and shall maintain an average response time to all Priority I calls of 4.5 minutes or less (measured annually).
- B. *Urgent Response*: Properly equipped and staffed police units shall respond to 62 percent of Priority II, urgent calls throughout the City within seven (7) minutes and shall maintain an average response time to all Priority II calls of seven (7) minutes or less (measured annually).

### **4.4.2.2 Service Analysis**

Police services are provided by the City of Chula Vista Police Department. The purpose of the Threshold Standard is to maintain or improve the current level of police services throughout the City by ensuring that adequate levels of staff, equipment and training are provided.

Police Facilities are also addressed in *A Master Plan for the Chula Vista Civic Center Solving City Space Needs Through Year 2010*, dated May 8, 1989.

### **4.4.2.3 Project Processing Requirements**

#### **Sectional Planning Area Plan/Public Facilities Finance Plans**

- 1. Services reviewed consistent with proposed phasing of the project.
- 2. Demonstrate conformance with *A Master Plan for the Chula Vista Civic Center*, dated May 8, 1989.

### **4.4.2.4 Existing Conditions**

The San Diego County Sheriff's Department currently provides law enforcement services to the unincorporated area surrounding Eastlake III while the Chula Vista Police Department (CVPD) provides services within the incorporated limits of Chula Vista including Eastlake.

## **Police Facility Inventory**

### **Existing Facility**

Police Headquarters

276 4th Avenue

### **Future Facilities**

Build New Facilities

At a site to be determined

#### **4.4.2.5 Adequacy Analysis**

Based upon the Growth Management Oversight Commission 1999 Report dated April 2000, neither of the two citywide measures for both Priority I Calls for Service (CFS) and Priority II CFS were met during the reporting period. For Priority I CFS, the Police Department responded to 70.9% of calls within 7 minutes as opposed to the 84% threshold. The average Priority I call response time was 5:50 minutes compared to the 4:30 minute threshold time.

For Priority II urgent calls, 45.8% were responded to within 7 minutes compared to the 62% threshold time. The average Priority II call response time was 9:35 minutes compared to the 7:00 minute threshold time.

Two key factors were cited by the GMOC to explain the non-compliance, they were: (1) original measurement and data corrections, and (2) staffing and deployment deficiencies. An additional factor was inclusion of response times for false alarms. In analyzing the historic data, the GMOC report indicates that the original Priority I Threshold should have been set at 81% of calls within 7 minutes, with an average response time of 5.5 minutes. The Priority II Threshold should have been set at 57% of calls within 7 minutes, with an average response time of 7.5 minutes. Even if these adjustments were made, 1999 response time levels would still not be in compliance. The GMOC report recommended that the City Council defer action on the adoption of these proposed response time adjustments until after the next GMOC review cycle.

The Police Department reports that the staffing deficit in the Patrol division has been, by far, the most significant factor in the decline in response times. To correct this situation, PD developed a "Strategic Plan" that included a staffing model, a program for "advance hires," and a more effective deployment configuration. An output of the staffing model identified the need for 16 new patrol officers that was subsequently approved by the City Council in December 1999. The Police Department has since obtained a Universal Hire Grant in the amount of \$1.1 million to hire fifteen new officers. The officers are currently being recruited and trained.

The police Department report also cited the amount and increase in false alarms. Approximately 99.9% of all alarm calls were false alarms. The already high number of false alarms has been increasing at the rate of 3 to 5% annually. The PD has instituted a number of interventions including a program of contacting chronic offenders. This program has managed to keep the growth rate in false alarms below that of newly registered alarm owners.

The Police Department indicated to the GMOC that, based upon the proposed development phasing schedule, the current facilities, equipment and staff will be insufficient to absorb forecasted growth during the next 5 to 7-year time frame without the changes noted above.

#### 4.4.2.6 Financing Police Facilities

In January 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for various public facilities within the City of Chula Vista<sup>7</sup>. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit.

The portion of the fee attributable to police services is \$735/EDU.

The Eastlake III project is within the boundaries of the public facilities DIF program and, therefore, is subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current fee rate, the Eastlake III obligation at build-out is \$1,651,471.

<b>Table 17 Eastlake III - Public Facilities Fees For Police</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Police Fee @ \$735/EDU</b>
1	1,083.4	\$796,299.00
2	1,010.0	\$742,350.00
3	153.5	\$112,822.50
<b>Total</b>	<b>2,246.9</b>	<b>\$1,651,471.50</b>

Source: MuniFinancial calculations.

<sup>7</sup> For Police and other facilities discussed throughout this Public Facilities Finance Plan, reference is hereby made to the report titled, *Development Impact Fees for Public Facilities* dated April 20, 1993.

#### **4.4.2.7 Threshold Compliance and Recommendations**

The Police Services is not currently in compliance with the Threshold Standard. However, a program of improvements has been initiated as reported above. The City will continue to monitor police responses to calls for service in both the Emergency (priority one) and Urgent (priority two) categories and report the results to the GMOC on an annual basis.

Eastlake III will be conditioned to pay Public Facilities Fees at the rate in effect at the time building permits are issued.

# **FIRE AND EMERGENCY MEDICAL SERVICES**





## **4.4.3 FIRE AND EMERGENCY MEDICAL SERVICES**

### **4.4.3.1 Threshold Standard**

*Emergency Response:* Properly equipped and staffed fire and medical units shall respond to calls throughout the City within seven (7) minutes in 85 percent of the cases (measured annually).

### **4.4.3.2 Service Analysis**

Responses to fire emergencies are provided by the City of Chula Vista Fire Department while responses to emergency medical calls are provided by American Medical Services. The City also has county wide mutual and automatic aid agreements with surrounding agencies should the need arise for their assistance. The purpose of the Threshold Standard and the monitoring of response times is to maintain and improve the current level of fire protection and emergency medical services (EMS) in the City.

During the 2000 calendar year reporting period, the Fire Department responded to 79% of emergency calls within 7 minutes, compared with the 85% threshold level that had been based on an estimated 1.3 minute dispatch and turnout time and 5.7 minute travel time. The Fire Department has been out of compliance with the Threshold Standard for several years and has waited several years for the installation of a new computer-aided dispatch system (CAD) that will help in the review of response time characteristics. The CAD system was installed in 1998. Last year, the GMOC was presented with an in-depth report prepared by the City's Special Projects Division in concert with the Fire Department entitled *Report on Fire Threshold Performance 1990-1999*. The report was completed in April 2000. The report investigates response times and Fire/EMS Threshold performance based on analysis of CAD system data.

The report presents three key conclusions that explain the non-compliance, along with several recommendations, including a proposal for an adjustment to the Threshold Standard. When the threshold was set in 1988/89, staff estimated that dispatch and turnout time totaled 1.3 minutes. With better measurement from the CAD system, the Fire Department recommends that the 1.3-minute goal be adjusted to 2.0 minutes.

Factors contributing to increased travel time include responding to freeway incidents, longer travel times due to lower density development, hilly terrain, and the more circuitous non-grid nature of streets in new residential neighborhoods in eastern Chula Vista. Based on this information, the Fire Department is recommending a new threshold level of 80% of emergency calls responded to within 7 minutes (2 minutes dispatch/turnout and 5 minute travel). The 1999 GMOC report recommended that the City Council defer

action on the adoption of these proposed response time adjustments until after the next GMOC review cycle.

#### 4.4.3.3 Project Processing Requirements

Development of the new fire station shall be in accordance with the project guidelines outlined in the Fire Station Master Plan as may be amended from time to time and subject to the approval of the Fire Chief.

In accordance with the Fire Station Master Plan, the City, at its sole discretion, shall determine the ultimate location and construction timing for the new fire station in order to achieve threshold service levels, meet specific project guidelines or maintain general operational needs of the Fire Department.

The requirement to pay for fire station construction and related equipment shall be the sole responsibility of the developer or developers and the City may require said developer or developers to provide a guarantee mechanism to assure the availability of such funding.

#### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Specific siting of the facility takes place which conforms to the *Fire Station Master Plan*, August 14, 1997.
2. Site reserved.
3. Equipment needs identified.
4. Methods of financing discussed.
5. Timing of construction is consistent with threshold service levels, specific project guidelines and/or general operational needs of the Fire Department.
6. Demonstrate the ability to provide adequate facilities to access required fire stations in conjunction with the construction of sewer and water facilities.

#### 4.4.3.4 Existing Conditions

There are currently six city stations and one fire protection district station serving the City of Chula Vista. The existing and future stations are listed below:

##### **FIRE STATION INVENTORY** **Chula Vista Existing Facilities**

	<b><u>Location</u></b>	
Station #1	447 "F" Street	
Station #2	80 East "J" Street	
Station #3	1410 Brandywine Ave	
Station #4	861 Otay Lakes Road	
Station #5	391 Oxford Street	
Interim Station #6	975 Lane Avenue	Future Woods #6
Fire Training Tower	850 Paseo Ranchero	
Fire Prevention Bureau	447 "F" Street	

Fire Administration	447 "F" Street	
<b><u>Fire Protection District Facility</u></b>	<b><u>Location</u></b>	
Bonita/Sunnyside Fire Protection Dist.	4900 Bonita Road	
<b><u>Planned Facilities</u></b>	<b><u>Location</u></b>	<b><u>Cost Estimate</u></b>
Station #3 (to be relocated)	Sunbow	\$1,249,150
Station #4 (to be relocated)	850 Paseo Ranchero	\$997,750
Station #5 (to be reconstructed)	391 Oxford Street	\$1,190,500
Station #6A (permanent facility)	Eastlake Woods	None Established
Station #7 Otay Ranch	Village 2	\$3,087,250
Station #8	Salt Creek/RHR	\$1,181,500
Otay Ranch	Village 9	None Established
Otay Ranch	Village 13	None Established
<b><u>Other Capital Improvements</u></b>		
Radio Communications Tower	Otay Mountain	\$38,000
Public Safety Communications (CAD/RMS)	Dispatch Center	\$1,788,000
Public Safety Communications (800MHz)	Citywide	None Established
Brush Engine	Eastern Territories	\$225,000

#### 4.4.3.5 Adequacy Analysis

The City of Chula Vista Fire Department (CVFD) currently serves areas within the City's boundaries including the Eastlake III SPA area. The closest CVFD stations to the project site are:

- Relocated Fire Station 4, located at 850 Paseo Ranchero in Rancho del Rey.
- Interim Fire Station 6, located in the Eastlake Business Park.
- Permanent Fire Station 8, located in the Rolling Hills Ranch (Salt Creek) development.

The nearest existing station to Eastlake III is the Interim Fire Station 6 located in the Eastlake Business Park.

The Fire Station Master Plan, adopted in 1997, recommends a nine-station network in eastern Chula Vista. Station 6A is the station designated to serve the Eastlake Woods and Vistas and other surrounding neighborhoods in Eastlake. The Fire Station Master Plan recommended site for station 6A is in the Trails neighborhood, subject to further evaluation of the suggested location when more specific development details are available. During the Trails neighborhood planning process, the Fire Department, as suggested in the Fire Station Master Plan, evaluated in more detail the suggested Trails site and another site in the Woods neighborhood, and concluded that the Woods site at the northwest corner of Otay Lakes Road and the future entrance road to the

Woods is more suitable to serve future residents of Eastlake and other surrounding neighborhoods.

The proposed Woods entry street and a portion of the proposed fire station site are outside the Eastlake III property. Therefore, their construction will necessitate acquisition of off-site property by Eastlake. The Woods access road location, which determined the ultimate location of the fire station site, was aligned with the future community center to the south across Otay Lakes Road to facilitate a future signalized intersection at this location and minimize the acquisition of off-site property by Eastlake.

The Final design of the fire station and adjoining streets will require review and approval by the Fire Department to insure adequate truck access, maneuvering and circulation.

#### **4.4.3.6 Financing Fire Service Facilities**

In January 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for various public facilities within the City of Chula Vista. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit. The portion of the fee attributable to fire and emergency medical services is \$203/EDU.

The Eastlake III project will be subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current fee rate, the Eastlake III obligation at build-out is \$456,120.

<b>Table 18 Eastlake III - Public Facilities Fees For Fire/EMS</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Fire/EMS Fee @ \$203/EDU</b>
1	1,083.4	\$219,930.20
2	1,010.0	\$205,030.00
3	153.5	\$31,160.50
<b>Total</b>	<b>2,246.9</b>	<b>\$456,120.70</b>

Source: MuniFinancial calculations.

#### **4.4.3.7 Threshold Compliance and Recommendations**

Fire Services is not currently in compliance with the Threshold Standard. The City will continue to monitor Fire Department responses to emergency fire and medical calls and report the results to the GMOC on an annual basis.

As population growth in the service area warrants, Fire Station No. 6 would be constructed within the Woods neighborhood and Fire Station No. 8 would be constructed in the Rolling Hills Ranch and Salt Creek service area. These stations would help ensure adequate service within the requirements of the City's Quality of Life Threshold Standards.

The Eastlake III SPA shall be conditioned to pay Public Facilities Fees at the rate in effect at the time building permits are issued. If the Permanent Fire Station is in Eastlake, the Developer shall construct the station or be given credit in accordance with the *Agreement for an Interim and Permanent Fire Station in Eastlake* dated February 6, 1992, for costs related to construction of the permanent fire station, against Public Facilities Developer Impact Fees: Fire Suppression System, in accordance with applicable Municipal Code sections.



# SCHOOLS





#### **4.4.4 SCHOOLS**

##### **4.4.4.1 Threshold Standard**

The City annually shall provide the two local school districts with a 12 to 18 month development forecast and request an evaluation of their ability to accommodate the forecast and continuing growth. The Districts' replies should address the following:

1. Amount of current capacity now used or committed.
2. Ability to absorb forecasted growth in affected facilities.
3. Evaluation of funding and site availability for projected new facilities.
4. Other relevant information the District(s) desire(s) to communicate to the City and GMOC.

##### **4.4.4.2 Service Analysis**

School facilities and services in Chula Vista are provided by two school districts. The Chula Vista Elementary School District administers education for kindergarten through sixth grades. The Sweetwater Union High School District administers education for the Junior/Middle and Senior High Schools of a large district, which includes the City of Chula Vista. The purpose of the threshold standard is to ensure that the districts have the necessary school sites and funds to meet the needs of students in newly developing areas in a timely manner, and to prevent the negative impacts of overcrowding on the existing schools. Through the provision of development forecasts, school district personnel can plan and implement school facility construction and program allocation in line with development.

Chula Vista Elementary School District's Standards and Criteria are used in the place of a defined master plan.

Sweetwater Union High School District utilizes the "Sweetwater Union High School District Long Range Comprehensive Master Plan", dated November 1989 and updated in May 1993.

##### **4.4.4.3 Project Processing Requirements**

###### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify student generation by phase of development.
2. Specific siting of proposed school facilities will take place in conformance with the *Sweetwater Union High School District Long Range Comprehensive Plan*, November 1989 and Chula Vista Elementary School District's Standards and Criteria.
3. Reserve school sites, if necessary, or coordinate with the district for additional school classrooms.

4. Provide cost estimates for facilities.
5. Identify facilities consistent with proposed phasing.
6. Demonstrate the ability to provide adequate facilities to access public schools in conjunction with the construction of water and sewer facilities.
7. Secure financing.

#### **4.4.4.4 Existing Conditions**

##### **School Facilities Inventory, Chula Vista Elementary School District**

The Chula Vista Elementary School District's inventory consists of 37 elementary schools including five Charter schools as of September 2000. Table 29 lists existing schools together with the capacity and enrollment of each. Capacity using existing permanent and relocatable buildings is 24,620. Enrollment is approximately 23,350. Nineteen schools are on a traditional school year while 18 are year-round.

New elementary schools will be needed to meet the educational needs of students generated from the projected development and resultant population increase. The district has experienced rapid growth during the past decade. Since 1990, enrollment increased by 3,907 students (1990/91 @ 17,501 and 1999/00 @ 21,408) or 22 percent. This growth was reportedly due to:

1. Demographic changes in older neighborhoods in the west;
2. New growth in the eastern territories; and
3. Higher student generation ratios (students per household) in some new developments in the east.

Within the last eighteen months, the Thurgood Marshall Elementary School in Rolling Hills and Arroyo Vista in Eastlake Trails were both completed. Within the next nine months, the district will complete the construction of three new elementary schools (Heritage, McMillin, and Chula Vista Learning Community Charter). Finney School is slated for modernization and facility expansion. These new capital projects combine to create 2,250 new seats in 2001.

**Table 19 Chula Vista Elementary School District - October 2000 Actual  
Enrollments Vs. School Capacity**

	10/20/2000 Enrollment	Permanent & Relocatable Capacity	Over (-) Under (+) Capacity
Allen	440	450	+10
Arroyo Vista	688	750	+62
Casillas	826	750	-76
Castle Park	615	600	-15
Chula Vista Hills	564	600	+36
CVLCC	353	350	-3
Clear View	590	600	+10
Cook	534	530	-4
Discovery	910	960	+50
Eastlake	690	800	+110
Feaster	1,125	1,120	-5
Finney	536	540	+4
Halecrest	530	590	+60
Harborside	732	780	+48
Hilltop Drive	552	560	+8
Juarez-Lincoln	651	750	+99
Kellogg	431	430	-1
Lauderbach	984	940	-44
Loma Verde	724	740	+16
Los Altos	513	540	+27
Marshall	409	750	+341
Montgomery	463	510	+47
Mueller	869	900	+31
Olympicview	710	820	+110
Otay	688	690	+2
Palomar	451	450	-1
Parkview	414	550	+136
Rice	729	750	+21
Rogers	572	630	+58
Rohr	582	610	+28
Rosebank	720	730	+10
Silver Wing	610	630	+20
Sunnyside	567	590	+23
Tiffany	663	710	+47
Valle Lindo	521	520	-1
Valley Vista	679	680	+1
Vista Square	716	720	+4
<b>Total</b>	<b>23,351</b>	<b>24,620</b>	<b>+1,269</b>

Source: Chula Vista Elementary School District.

### **School Facilities Inventory, Sweetwater Union High School District**

The Sweetwater Union High School District currently administers ten (10) junior high/middle schools and nine (9) senior high schools plus one continuation high school within the District. Of the nine junior highs, six have been converted to middle schools serving grades seven and eight. As the population grows, the District is projecting a

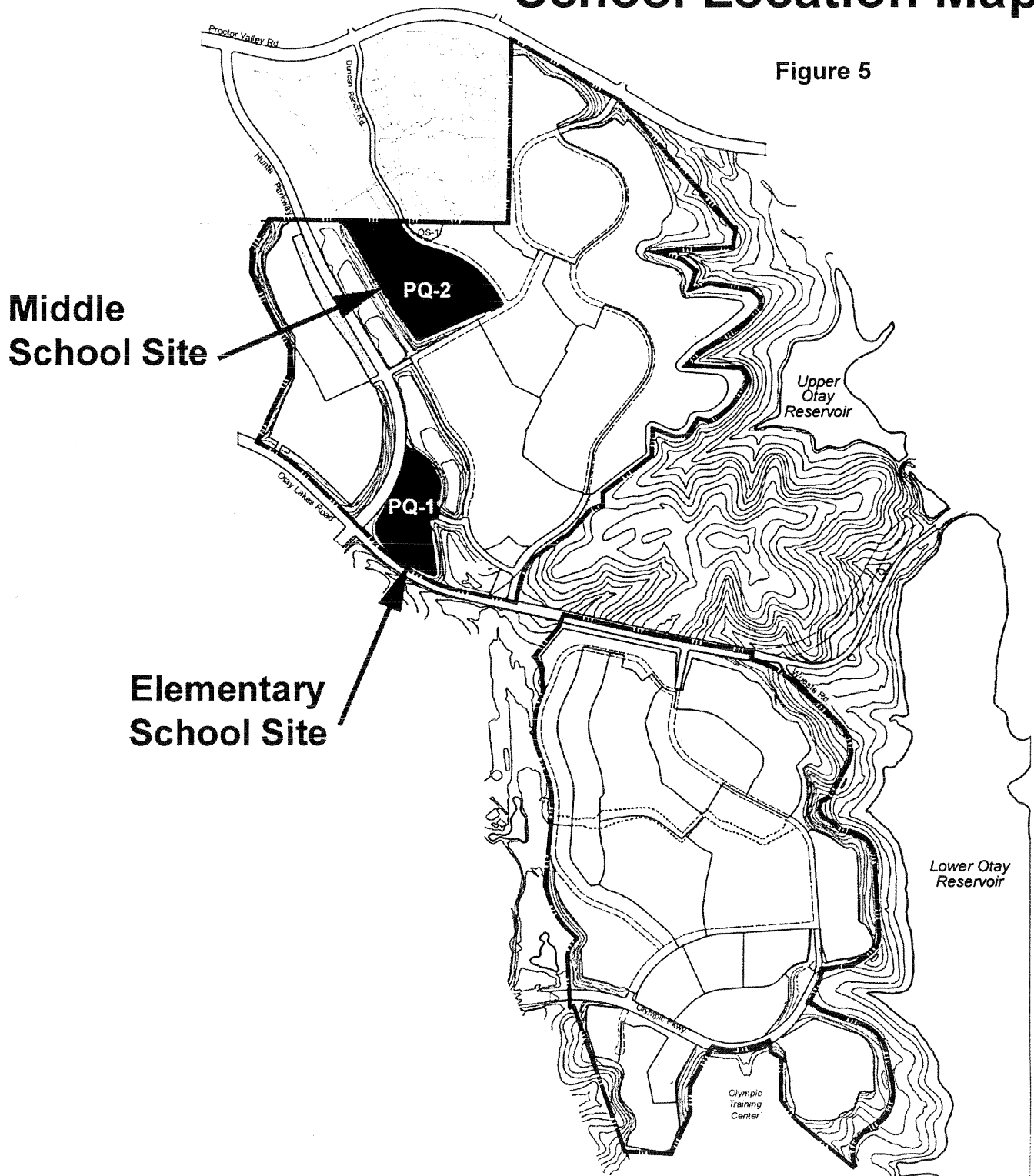
need for and must secure funding for 3 middle schools and 3 high schools throughout the District's boundaries.

<b>Table 20 Sweetwater Union High School District Enrollments Vs. Adjusted Capacity</b>			
<b>School</b>	<b>Adjusted Total Capacity</b>	<b>10/00 CBEDS Enrollment (unofficial)</b>	<b>Excess Capacity</b>
<b>High Schools</b>			
Bonita Vista	2,487	2,485	2
Castle Park	2,081	1,973	108
Chula Vista	2,420	2,440	(20)
Eastlake	2,424	2,235	189
Hilltop	2,019	1,998	21
Mar Vista	1,879	1,926	(47)
Montgomery	2,440	2,530	(90)
Southwest	2,408	2,205	203
Sweetwater	2,163	2,189	(26)
Palomar	713	522	191
<b>Subtotal</b>	<b>21,034</b>	<b>20,503</b>	<b>531</b>
<b>Junior High/Middle Schools</b>			
Bonita Vista Mid	1,738	1,198	540
Castle Park Mid.	1,613	1,298	315
Chula Vista Jr.	1,396	1,201	195
Granger Jr.	1,380	1,100	280
Hilltop Mid.	1,504	1,227	277
Mar Vista Mid.	1,581	1,431	150
Montgomery Mid.	1,614	1,098	516
National City Mid.	1,054	891	163
Rancho del Rey	1,613	1,240	373
Southwest Jr.	1,350	1,160	190
<b>Subtotal</b>	<b>14,843</b>	<b>11,844</b>	<b>2,999</b>
<b>Total</b>	<b>35,877</b>	<b>32,347</b>	<b>3,530</b>
Learning Center		2,753	
<b>Total Enrollment</b>		<b>35,100</b>	
<b>Sweetwater Union High School District</b>			
<b>Future Schools</b>	<b>Capacity</b>	<b>Est. Opening Date</b>	
Junior/Middle School in Eastlake Woods	1,500	2005	
High School/ Otay Mesa	2,400	2002	
High School/ Otay Ranch	2,400	2003	

Source: Sweetwater Union High School District.

# School Location Map

Figure 5





#### 4.4.4.5 School Sizing and Location

The Eastlake III is proposed to consist of 2,061 dwelling units at build-out. At completion, the proposed project could generate approximately 1,586 students at the following Student Generation Factors:

Elementary (K-6) = .45 students/dwelling unit  
Middle School (7-8) = .11 students/dwelling unit  
High School (9-12) = .21 students/dwelling unit

By phase and school category, Eastlake III is expected to generate the following students:

<b>Table 21 Eastlake III - Student Generation By Development Phase</b>					
<b>Phase</b>	<b>Dwelling Units</b>	<b>Student Generation</b>			<b>Total Students</b>
		<b>Elementary .45 per DU</b>	<b>Middle .11 per DU</b>	<b>Sr. High .21 per DU</b>	
1	1,238	557.10	136.18	259.98	953.26
2	823	370.35	90.53	172.83	633.71
3	0	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2,061</b>	<b>927.45</b>	<b>226.71</b>	<b>432.81</b>	<b>1,586.97</b>

Source: CVESD and SUHSD student generation factors; MuniFinancial calculations.

School Size Standards:	Elementary	700-750	students
	Middle	1,500	students
	Senior High	2,400	students

The Sweetwater Union High School District operates and maintains Rancho del Rey Middle School and Eastlake High School that are within the attendance boundaries of the Eastlake III project. Throughout the district there is abundant middle school capacity. At Rancho del Rey and Eastlake high schools, available capacity exists in 2000-2001 and 2001-2002 school years. The placement of additional relocatables at these sites is an option for further growth until new high school and middle school facilities can be constructed.

At the projected rate of growth in the City of Chula Vista as provided to the SUHSD, approximately 2,000 new homes per year will generate 220 new middle school students and 420 new high school students annually. The cumulative impact of growth and the students generated from projects currently approved (Eastlake, Rancho del Rey, Otay Ranch, and Sunbow) will absorb much of the existing school capacity in the SUHSD prior to the generation of students from the Eastlake III project.

SUHSD will commence grading the site for high school 12 in February 2001 and expects to open mid-year 2002.



The need for an elementary school site within the Eastlake III SPA is anticipated. The SPA plan designates a 14.3-acre elementary school site, Parcel PQ-1, at the intersection of Hunte Parkway and Otay Lakes Road, with access across Salt Creek from internal streets of Eastlake Woods. Eastlake III is projected to generate 804 elementary school students that are more than the capacity of one school.

A site for a new junior high school is also designated within the Woods neighborhood of Eastlake III at the northern end of the Salt Creek corridor. This 25.1-acre site is only accessed from internal streets. The developer will convey the school site to SUHSD as partial mitigation of school impacts.

#### **4.4.4.6 Financing School Facilities**

California Government Code section 65995 et. seq. and Education Code Section 17620 et. seq. authorizes school districts to impose facility mitigation exactions on new development as a way to address increasing enrollment caused by new development.

The current allowable rate for school fees has been limited by the passage of SB 50 (as Proposition 1A on November 3, 1998) to \$2.05 per square foot for residential construction and \$.33 per square foot for nonresidential. These amounts are divided between the two districts as follows: For the Sweetwater District - \$1.15 and \$0.18 per square foot for residential and nonresidential, respectively; and for the Chula Vista District - \$0.90 and \$0.15 per square foot for residential and nonresidential, respectively.

The CVESD adopted a School Facilities Needs Analysis that allows the District to levy Alternative Level II fees of \$1.47 per square foot on residential construction/development, which is not within a Community Facilities District (CFD) or otherwise contained in a mitigation agreement with the District. The commercial/industrial fees are \$0.15 per square foot and are valid through May 2002.

The analysis also identified an Alternative Level III Fee of \$2.93 per square foot of new residential construction as the amount authorized pursuant to Government Code Section 65995.7 in the event that State Funds are no longer available. CVESD anticipates that during the next 12-month period, funding from the State will be available and that only the Alternative Level II Fee may be imposed.

SUHSD, on January 20, 2001, also adopted a School Facilities Needs Analysis that allows the District to levy Alternative Level II fees of \$1.45 per square foot and Level III fees of \$2.91.

Although the collection of school fees is one method available to defray the cost of new development, it is not an acceptable solution since the maximum

amount that could be collected by law represents less than one-fourth the cost to construct schools. The SUHSD is unable to meet the needs of this project with current school facilities and it is unable to construct new facilities to meet the impacts of this project through the provision of school fees.

In recognition of this funding deficiency, it is the policy of each district to seek full mitigation for facility impacts caused by a master planned community via the creation of a Mello-Roos Community Facilities District or similar obligation. Under SB 50, school districts are limited in their ability to condition approval of the SPA Plan or prior to recordation of a final map.

The following Mello-Roos Districts have been created by each district:

SUHSD

CFD No. 1	Eastlake
CFD No. 2	Bonita Long Canyon
CFD No. 3	Rancho del Rey
CFD No. 4	Sunbow
CFD No. 5	Annexable
CFD No. 6	Otay Ranch
CFD No. 7	Rolling Hills Estate
CFD No. 8	Coral Gate (Otay Mesa)
CFD No. 9	Ocean View Hills (Otay Mesa)
CFD No. 10	Remington Hills/Annexable
CFD No. 11	Lomas Verde
CFD No. 12	Otay Ranch
CFD No. 13	San Miguel Ranch

CVESD

CFD No. 1	Eastlake
CFD No. 2	Bonita Long Canyon
CFD No. 3	Rancho del Rey
CFD No. 4	Sunbow
CFD No. 5	Generic
CFD No. 6	Otay Ranch
CFD No. 10	Annexable – Replaces CFD #5
CFD No. 11	Otay Ranch McMillin (Lomas Verdes)
CFD No. 12	Otay Ranch Village One West

The estimate of costs for the construction of school facilities is based on historical data available from each district. Both districts follow state standards for determining the costs and size for school construction. The costs, including land acquisition, for a high school is approximately \$21,600 per student (2000 dollars). Excluding land, the cost is \$17,500 per student. The costs, including land acquisition, for a middle school is approximately \$16,600 per student (2000 dollars). Excluding land, the cost is \$13,300 per student.

The costs, including land acquisition, for an elementary school is approximately \$17,500 per student (2000 dollars). Excluding land, the cost is approximately \$14,650 per student. Land value is calculated at \$214,570/acre sheet graded (10 acre school site).

Using the above costs per student together with the school size, the following approximate costs (2000) per facility can be anticipated.

Elementary School Cost

(750 students) (\$14,646/student w/o land cost).....	\$10,984,500
(750 students) (\$17,507/student w/land cost).....	\$13,130,250

Middle School Cost

(1,500 students) (\$13,300/student w/o land cost).....	\$20,000,000
(1,500 students) (\$16,600/student w/ land cost).....	\$25,000,000

High School Cost

(2,400 students) (\$17,500/student w/o land cost).....	\$42,000,000
(2,400 students) (\$21,600/student w/ land cost).....	\$52,000,000

**4.4.4.7 Threshold Compliance and Recommendations**

As future development applications are processed in the Eastern Territories, the City shall coordinate with each school district to ensure that development does not occur until acceptable school site(s) are identified and a financing mechanism satisfactory to each district is in place.

Prior to SPA Plan approval, the project proponent(s) shall provide documentation to the City confirming satisfaction of SUHSD and CVESD facility funding requirements to offset student generation impacts. Funding shall be satisfied through the Mello-Roos Community Facilities District financing method or other means acceptable to each District.

# LIBRARIES



## 4.4.5 LIBRARIES

### 4.4.5.1 Threshold Standard

Five hundred (500) gross square feet of library facility adequately equipped and staffed per 1,000 population.

### 4.4.5.2 Service Analysis

The City of Chula Vista Library Department provides library facilities.

### 4.4.5.3 Project Processing Requirements

#### Sectional Planning Area Plan/Public Facilities Finance Plans

1. Identify phased demands in conjunction with the construction of streets, water and sewer facilities.
2. Specifically identify facility site in conformance with the *1998 Chula Vista Library Master Plan*.

### 4.4.5.4 Existing Conditions

The City currently provides library services through the Chula Vista Public Library at Fourth and "F" Street (Civic Center), the South Chula Vista Library in the Montgomery/Otay planning area, and the library at the Eastlake High School, which is cooperatively operated by the City and School District.

The existing libraries are listed in Table 33.

<b>Table 22 Existing Library Facilities</b>	
<b>Existing Libraries</b>	<b>Square Footage</b>
Chula Vista (Civic Center)	55,000
South Chula Vista	37,000
Eastlake	10,000
<b>Total Existing Square Feet</b>	<b>102,000</b>

Source: City of Chula Vista Library Administration.

### 4.4.5.5 Adequacy Analysis

Using the threshold standard of 500 square feet of library space per 1,000 population, the demand for library space based on a 1999 year-ending population of 174,319 is 87,160 square feet. Chula Vista currently provides 102,000 square feet of library space. This represents a 14,840 square foot surplus. The demand generated by the 12,651 forecasted dwelling units in eastern Chula Vista (see Table 3) is 19,204 square feet  $((12,651 \times 3.036/1,000) \times 500)$ . The demand for library space generated by existing and

forecasted dwelling units totals 106,364 (87,160 + 19,204) square feet. Comparing this demand to the existing library square footage of 102,000 square feet results in a deficit of 4,364 square feet after build-out of the 12,651 forecasted dwelling units.

A new Library Master Plan Update was adopted by the City Council on December 8, 1998. The Update addresses such topics as library siting and phasing, the impacts of new technologies on library usage, and floor space needs. The plan calls for the construction of a full service regional library of approximately 30,000 square feet in Rancho Del Rey by the year 2005. However, with construction of this facility, the 10,000 square foot Eastlake Library is recommended to be closed. Therefore, the net gain in library space is 20,000 square feet for a total by the year 2005 of 122,000 square feet.

Future library facilities are listed in Table 34.

<b>Table 23 Future Library Facilities</b>		
<b>Future Libraries</b>	<b>Net Square Footage</b>	<b>Estimated Cost</b>
1 <sup>st</sup> east side regional library (RDR) @ 30,000 sf	20,000 <sup>8</sup>	\$12,000,000
2 <sup>nd</sup> east side regional library @ 30,000 sf	30,000 <sup>9</sup>	
<b>Total Future Net Square Feet</b>	<b>50,000</b>	
<b>Total Master Plan Library Square Feet (existing and future)</b>	<b>152,000</b>	

Source: City of Chula Vista library administration.

The following table highlights existing plus forecasted project demands for library space as compared to the existing and scheduled library space as well as the impact of the Eastlake III project on library facilities. Eastlake III will generate a total library demand of 3,129 square feet which results in a remaining citywide positive balance of 12,507 square feet.

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<sup>8</sup> Assumes construction of the first 30,000-square foot east side regional library by year 2005 and the closure of the 10,000-square foot Eastlake library, per the 1998 Library Master Plan.

<sup>9</sup> Assumes construction of the second 30,000-square foot east side regional library, per the 1998 Library Master Plan.

<b>Table 24 Eastlake III - Library Space Demand vs. Supply As of December, 1999</b>					
		<b>Population</b>	<b>Demand Square Footage</b>	<b>Supply Square Footage</b>	<b>Above/ (Below) Standard</b>
Existing (Citywide 12/1999)		174,319	87,160	102,000	14,840
Forecasted Projects (12,651 x 3.036)		38,408	19,204		
1 <sup>st</sup> east side regional library (net sf)				20,000	796
<b>Subtotal</b>		<b>212,727</b>	<b>106,364</b>	<b>122,000</b>	<b>15,636</b>
<b>Eastlake III by Phase</b>					
1	1,051DU	3,191 <sup>10</sup>	1,596		14,040
2	1,010DU	3,066	1,533		12,507
3	0DU	0	0		12,507
<b>Subtotal</b>	<b>2,061DU</b>	<b>6,257</b>	<b>3,129</b>	<b>0</b>	<b>12,507</b>
<b>Total</b>		<b>218,984</b>	<b>109,493</b>	<b>122,000</b>	<b>12,507</b>

Source: City of Chula Vista library standards; MuniFinancial calculations.

#### 4.4.5.6 Financing Library Facilities

The estimated \$12 million in library construction and book collection costs will be funded with Public Facility Development Impact Fees. In January 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for nine categories of public facilities within the City of Chula Vista. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit.

The portion of the fee attributable to libraries is \$638/EDU.

<sup>10</sup> Population calculated at 3.036 persons per dwelling unit.



The Eastlake III project is within the boundaries of the current public facilities DIF program and, therefore, the project will be subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current library fee rate, the Eastlake III library obligation at build-out is \$1,433,522.

<b>Table 25      Eastlake III - Public Facilities Fees For Libraries</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Library Fee @ \$544/EDU</b>
1	1,083.4	\$691,209.20
2	1,010.0	\$644,380.00
3	153.5	\$97,933.00
<b>Total</b>	<b>2,246.9</b>	<b>\$1,433,522.20</b>

Source: MuniFinancial calculations.

#### **4.4.5.7 Threshold Compliance and Recommendations**

Based upon the analysis contained in this library section, it is projected that the library threshold standard will be maintained throughout the development of the Eastlake III project. The existing plus proposed new library space totals 122,000 square feet, while the existing, total forecasted projects, and Eastlake III project demands total 109,493 square feet. This results in an excess (above standard) supply of 12,507 square feet.

No mitigation is required other than the payment of the Public Facilities DIF for library facilities at the rate in effect at the time building permits are issued.

# **PARKS, TRAILS AND OPEN SPACE**



## **4.4.6 PARKS, TRAILS AND OPEN SPACE**

### **4.4.6.1 Park Threshold Standard**

Three (3) acres of neighborhood and community parkland with appropriate facilities shall be provided per 1,000 residents east of Interstate 805.

### **4.4.6.2 Service Analysis**

The City of Chula Vista provides public park and recreational opportunities through the Parks and Recreation Department, which is responsible for the acquisition and development of parkland. All park development plans are reviewed by City staff and presented to the Parks and Recreation Commission for review. A recommendation is made by this Commission to the deciding body, the City Council.

The Parks and Recreation Element of the General Plan dated July 1990 and revisions through September 5, 1995, previously served as the master plan for park facilities. While there is currently no existing citywide detailed park master plan, the City is nearing completion of a new Park Master Plan that it expects to forward to the City Council soon for adoption. At this time, City Staff is implementing the policy objectives of the General Plan to determine park design and amenities on a project-by-project basis.

### **4.4.6.3 Project Processing Requirements**

#### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify phased demands in conformance with street improvements and in coordination with the construction of water and sewer facilities.
2. Specific siting of the facility will take place in conformance with the *Chula Vista General Plan Park and Recreation Element*.
3. Site reserved.

### **4.4.6.4 Existing Conditions**

The existing and future parks as depicted in the Park and Recreation Element of the General Plan and as updated by the inclusion of more recent information are contained in Tables 28 and 29.

### **4.4.6.5 Project Park Requirements**

#### **Compliance with Public Park Standards**

All new development in the City of Chula Vista is subject to the requirements contained in the City's Parkland Dedication Ordinance revised June 22, 1991, which is confirmed in Municipal Code Chapter 17.10. The ordinance establishes land development fees for park acquisition and development, sets

standards for dedication and establishes criteria for acceptance of parks and open space by the City of Chula Vista. Parkland dedication requirements are shown on Table 26.

<b>Table 26 Parkland Dedication Standards</b>		
<b>Dwelling Unit Type</b>	<b>Land Dedication per Unit</b>	<b>Dwelling Units per Park Acre</b>
Single-Family - Detached	423 sf/du	103.0 du/ac
Single-Family - Attached	366 sf/du	119.0 du/ac
Multiple-Family	288 sf/du	151.0 du/ac

Source: City of Chula Vista Parkland Dedication Ordinance.

Parkland dedication requirements for the Eastlake III project are outlined in Table 27, below.

<b>Table 27 Eastlake III - Parkland Dedication Requirements Per City Ordinance</b>			
<b>Dwelling Unit Type</b>	<b>DU's per Park Acre</b>	<b>Number of DU's</b>	<b>Park Acres Required</b>
Single Family - Detached	103du/AC	1,449	14.07
Single Family - Attached	119du/AC	73	0.61
Multiple Family	151du/AC	539	3.57
<b>TOTALS</b>		<b>2,061</b>	<b>18.25</b>

Source: MuniFinancial calculations.

The Eastlake III Phasing and Site Utilization Plan contained in Figure 2 identifies the park designations and acreage that are also shown in Table 31. Table 31 also identifies the phase of development in which the park will be constructed and the park acres that the city has determined will be given credit in accordance with the requirements of the City's Parkland Dedication Ordinance. All parkland will be graded and offered for dedication in the context of the development of Phase One of the Eastlake III project.

Eastlake's park obligations are partially set forth in the existing Amended and Restated Development Agreement between the City of Chula Vista and The Eastlake Company, LLC for Eastlake III, dated February 1,2000. Eastlake's park obligations are also partially set forth in the existing Park Agreement between the City, The Eastlake Company and Pacific Bay Homes, dated December 19, 2000 (see Appendix B).

**Table 28 Chula Vista Existing Park Inventory**

	Acres <sup>11</sup>	
	<u>West of I-805</u>	<u>East of I-805</u>
<b><u>Community Parks</u></b>		
Eucalyptus Park	19.80	
Chula Vista Community Park		12.9
Greg Rogers Park		52.1
Rohr Park		62.2
J Street Marina, Bayside Park	21.40	
Discovery Park		14.5
<b>Total Existing Community Acres:</b>	<b>40.20</b>	<b>141.7</b>
<b><u>Neighborhood Parks</u></b>		
Marina View Park	4.50	
Friendship Park	8.40	
Memorial Park	8.00	
Explorer Park		6.0
Norman Park	1.70	
Hilltop Park	10.90	
Lauderbach Park		4.00
Palomar Park	3.10	
Orange Avenue Fields	4.00	
Reinstra Ball Field	6.00	
Loma Verde Park		6.20
SDG&E Park	18.00	
Otay Park	5.20	
Los Niños Park	5.20	
Bay Boulevard Park	1.50	
Valle Lindo Park		4.3
Halecrest Park		2.0
Terra Nova Park		8.6
Independence Park		4.1
Tiffany Park		7.2
Paseo del Rey Park		3.0
Bonita Long Canyon Park		12.5
Sunridge Park		6.0
Sunbow I Park		4.0
Rancho del Rey Park		10.2
Connoley Park	.65	
Holiday Estates I	.26	
Holiday Estates II		.26
Lancelot Park	.10	
Voyager Park		11.0
Sherwood Park	.28	
<b>Total Existing Neighborhood Acres:</b>	<b>88.25</b>	<b>78.80</b>
<b>EXISTING INVENTORY TOTAL</b>	<b>128.45</b>	<b>229.50</b>

<sup>11</sup> Source: Inventory and approximate acreages provided by the Park and Recreation Department and as reflected in the Park and Recreation Element of the General Plan and as updated by the City of Chula Vista Park Master Plan. The Master Plan is currently being prepared and is expected to be completed by Spring 2001.

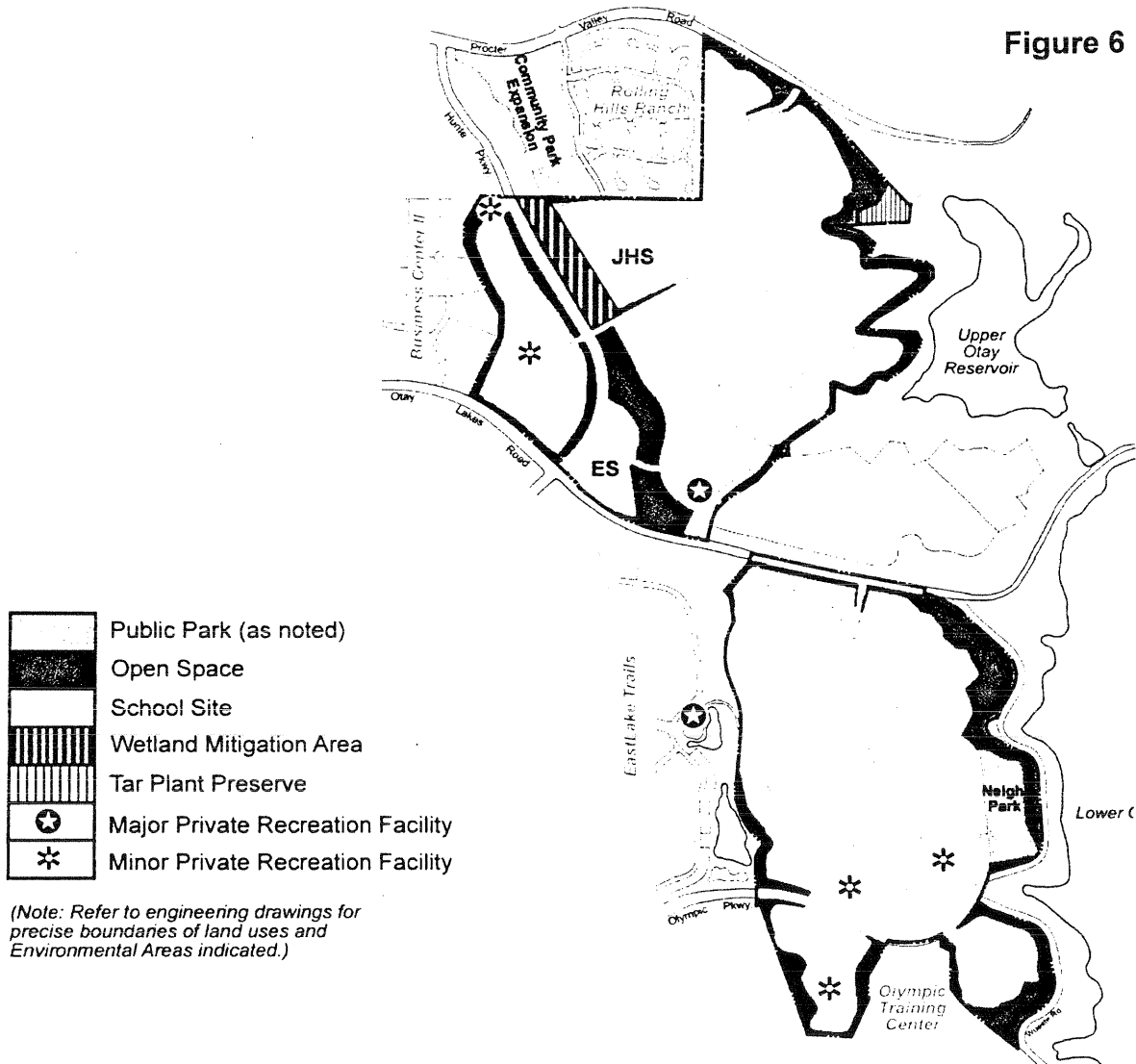
**Table 29 Chula Vista Future Parks**

	Acres <sup>12</sup>	
	<u>West of I-805</u>	<u>East of I-805</u>
<b><u>Future Community Parks</u></b>		
San Miguel Ranch		16.2
Eastlake Trails/Salt Creek		19.8
Rolling Hills Ranch		27.6
Eastern Urban Center		20.0
Wolf Canyon		25.0
Sunbow II Community		<u>10.5</u>
Montgomery	<u>24.0</u>	
<b>Total Future Community Park Acres:</b>	<b>24.0</b>	<b>119.1</b>
<b><u>Future Neighborhood Parks</u></b>		
Marisol Park		6.0
Rancho Drive Park	16.0	
Eastlake Greens		10.0
Bayfront		7.0
F Street & Woodlawn		5.0
Otay Valley Road & Brandywine		5.0
Eastlake Vistas		13.0
Rolling Hills Ranch		7.0
Otay Ranch Parks:		
Village 1 - Unnamed		11.6
Village 1 - Unnamed		7.0
Village 1 West - Unnamed		5.0
Village 2 - Unnamed		10.0
Village 4 - Unnamed		3.4
Village 5 - Unnamed		6.7
Village 5 - Unnamed		5.7
Village 5 - Unnamed		2.0
Village 5 - Unnamed		1.3
Village 6 - Unnamed		10.0
Village 7 - Unnamed		9.3
Village 8 - Unnamed		8.9
Village 11- Unnamed		<u>10.0</u>
<b>Total Future Neighborhood Park Acres:</b>	<b><u>16.0</u></b>	<b><u>143.9</u></b>
<b>TOTAL FUTURE PARK ACRES</b>	<b>40.0</b>	<b>263.4</b>

<sup>12</sup> Source: Inventory and approximate acreages provided by the Park and Recreation Department and as reflected in the Park and Recreation Element of the General Plan and as updated by the City of Chula Vista Park Master Plan. The Master Plan is currently being prepared and is expected to be completed by Spring 2001.

# Parks & Open Space Plan

Figure 6

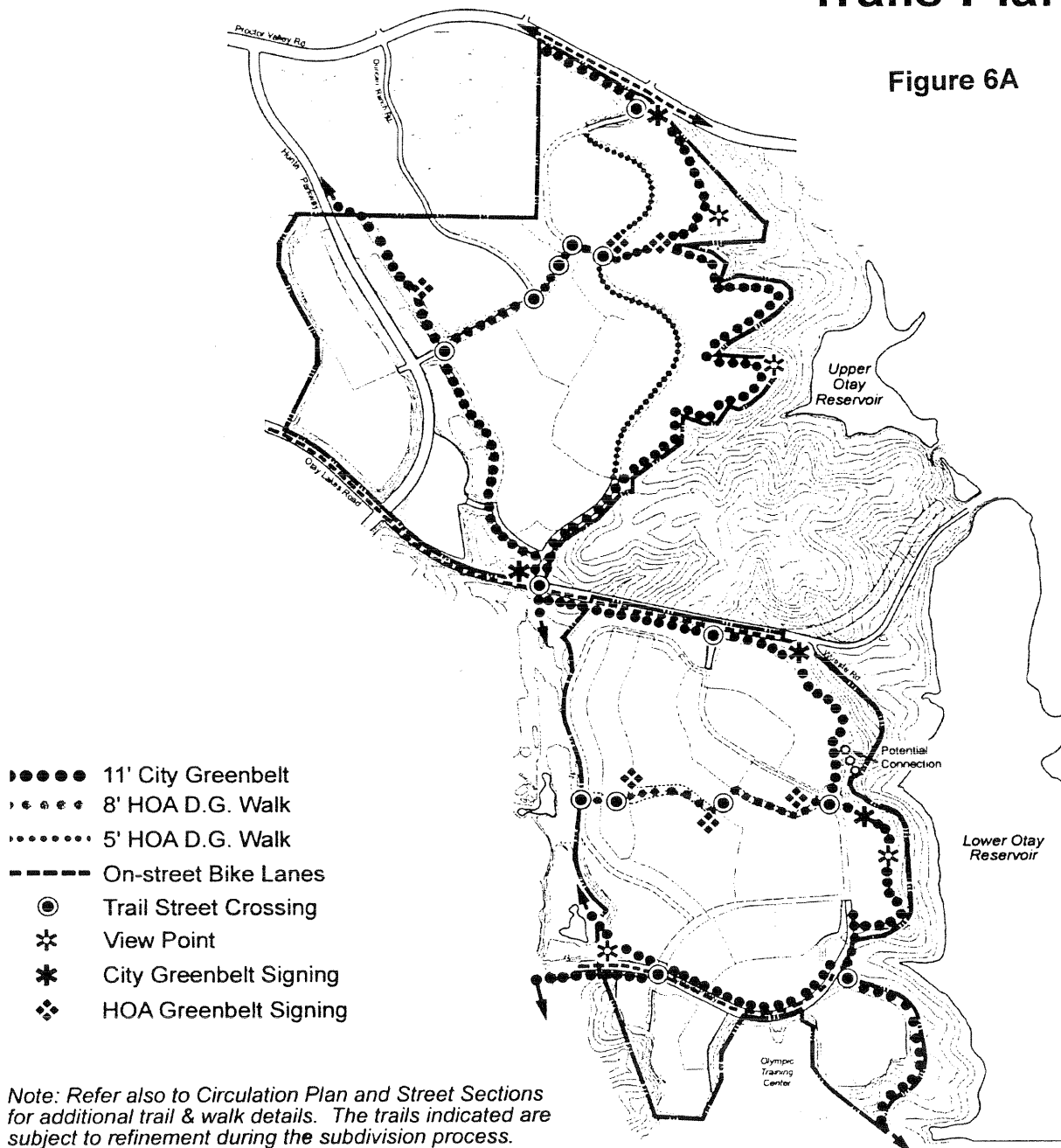






# Trails Plan

Figure 6A



**EASTLAKE III**  
 A planned community by The EastLake Company

Cinti Land Planning  
 San Diego, CA (619) 323-1400  
 0 400 800 1200  
 2-20-01



<b>Table 30 Eastlake III SPA Plan Park Acres and Eligible Credits</b>				
<b>PARK IDENTIFICATION</b>	<b>NET ACREAGE</b>	<b>PHASE</b>	<b>PROPOSED CREDIT %</b>	<b>ELIGIBLE CREDIT ACRES</b>
P-1 NEIGHBORHOOD PARK (PUBLIC)	10.92	1	100%	10.92
P-2 NEIGHBORHOOD PARK (PRIVATE)	1.70	1	0%	0.00
EASTLAKE WOODS PARK CREDIT	5.6	1	100%	5.6
<b>TOTAL ACRES ELIGIBLE FOR CREDIT AGAINST PAD</b>				<b>16.52</b>
<b>EASTLAKE III PAD REQUIREMENTS</b>				<b>18.25</b>
<b>EASTLAKE III DEFICIENT PAD ACREAGE</b>				<b>- 1.73</b>

Source: SPA Plan; MuniFinancial calculations.

#### **4.4.6.6 Park Adequacy Analysis**

Table 31 is a comparison of park acreage demands and supply east of Interstate 805 for existing, approved projects, as well as the phased addition of the Eastlake III project.

A review of the existing and approved park demands with the addition of Eastlake III indicates a total demand for 298.6 acres of neighborhood and community park east of Interstate 805. The supply of park acres including Eastlake III is 324.4 acres which is 24.3 acres more than is required by the City's Parkland Dedication Ordinance.

##### **Private Neighborhood Park**

The Eastlake III SPA plan identifies one 1.7-acre of private neighborhood park. It will be located at the southern end of the Eastlake Woods neighborhood within phase 1. The proposed private facility will be owned and maintained by a Master Community Association. This facility is not eligible for park credit.

##### **Public Neighborhood Parks**

The Eastlake III SPA Plan provides for a 10.92 net acre (13.5 gross acres) park in the Vistas neighborhood. The park will overlook the Lower Otay Reservoir on the east side of the Eastlake Vistas neighborhood.

Public parkland to serve the Woods neighborhood will be provided through the expansion of the community park in the Rolling Hills Ranch project, just north of the Woods area. Eastlake III will pay equivalent park and land development fees to the City in-lieu of providing an on-site park. These fees will be used to acquire and improve additional land for park use in the adjacent neighborhood, but accessible to Woods residents.

Table 31      Park Acreage Demand Compared to Supply East of Interstate 805							
AS OF JANUARY 1, 2000 PLUS EASTLAKE III							
Eastern Area		Pop. East of I-805	Park Acres Required	Park Acres Provided	Credit Acres Granted	Net Acres + / - Std.	Project Cum. + / - Std.
Existing (1/1/2000)		55,846 <sup>13</sup>	167.54	229.5	209.7	+62.6	n/a
Forecasted Proj's (table 3)		38,408 <sup>14</sup>	112.9	81.3	81.3	-39.2	n/a
Subtotal		94,254	280.44	310.8	291.0	+23.4	n/a
Eastlake III by Phase							
1	1,051DU	3,191	9.47	10.92	16.52	7.05	7.03
2	1,010DU	3,066	8.78	0.0	0.0	- 8.78	- 1.75
3	0DU	0	0	0.0	0.0	0	0
Subtotal	2,061DU	6,257	18.25	10.92	16.52	- 1.73	- 1.73
TOTAL		100,511	298.69	321.7	307.5	-1.73	

Source: City of Chula Vista Parkland Dedication Ordinance; MuniFinancial calculations.

#### 4.4.6.7 Open Space and Trails

##### Open Space

Open space within Eastlake III is to be provided for buffer areas, slopes and open space corridors as required by the Eastlake III GDP. Open space lands indicated on the Eastlake III Site Utilization Plan include the Salt Creek corridor within the Eastlake Woods neighborhood, slopes adjacent to both Upper and Lower Otay Reservoirs, slope/buffer areas adjacent to Otay Lakes Road, Hunte Parkway and Olympic Parkway, and a buffer between the western edge of the Eastlake Woods residential neighborhood and the Eastlake Business Center light industrial uses, off-site to the west.

##### Trails

Eastlake III is served by two types of trails. These include:

- Greenbelt trails
- Community trails

These trails provide non-vehicular circulation throughout the community linking Eastlake III with the adjacent regional trail system within the City's greenbelt. The trails also provide limited and controlled access into the open space areas and provide access for Eastlake III neighborhoods to the parks

<sup>13</sup> 1/1/2000 Population figure furnished by City Planning Department.

<sup>14</sup> Population calculation: 12,651 DU's @ 3.036/DU

and community facilities. Figure 6A, Trails Plan, shows the location of the main framework of the trails system. It should be noted that these trails are in addition to concrete sidewalks required as part of street construction.

### **Greenbelt/Multi-Purpose Trail**

In accordance with the Chula Vista General Plan, the Greenbelt Trail is a proposed 26-mile continuous loop trail that generally encircles the city. The trail is designed as an eleven-foot wide, grade separated trail free from vehicular traffic.

### **Community Trail**

Community trails provide access to regional trails and destination points and are typically the internal routes of communities and neighborhoods. They can be similar in design to regional trails but are determined by volume. In some cases, the trail will be the concrete sidewalk in residential areas.

The Eastlake Community Trail, extending from Eastlake Hills through the developed portion of the Eastlake Planned Community to its current terminus in Eastlake Trails within Salt Creek, will be extended across the Eastlake Vistas neighborhood to the park overlooking Lower Otay Lake. A pedestrian trail through Salt Creek park/open space corridor branch of the Greenbelt as well as along the Otay Lakes branch, will connect to the citywide system.

All trails will be designed and constructed to City standards. In the absence of specific trail design standards, all trails will be designed and constructed to the satisfaction of the Director of Parks and Recreation.

#### **4.4.6.8 Financing Park, Open Space, and Trail**

The financing of parkland and improvements is governed by Chapter 17.10 of the Chula Vista Municipal Code as amended April 3, 2001, by City Council Resolution No. 2001-091. Included as part of the regulations are Park Acquisition and Development (PAD) fees established for the purpose of providing neighborhood and community parks and improvements. The Ordinance provides that fees are paid to the City prior to approval of a final subdivision map.

The Eastlake III project is responsible for the following park development component of the PAD Fees as shown in the following tables. However, an applicant may dedicate and construct parks and receive credit against the payment of such PAD fees as further described below. PAD fees, as calculated, are based on dwelling unit counts as currently proposed. These numbers will change pending any variation or change in dwelling unit counts, thereby potentially increasing or decreasing PAD fees.

<b>Table 32 Eastlake III - Park Acquisition and Development (PAD) Fees</b>							
<b>DEVELOPMENT COMPONENT ONLY</b>							
<b>PHASE</b>	<b>DWELLING UNITS</b>			<b>DEVELOPMENT COMPONENT OF PAD FEES/DU</b>			<b>TOTAL FEES DUE</b>
	<b>SFD</b>	<b>SFA</b>	<b>MF</b>	<b>SFD @ \$2,935</b>	<b>SFA @ \$2,571</b>	<b>MFD @ \$2,012</b>	
<b>1</b>	812	0	239	\$2,383,220.00	0	\$480,868.00	<b>\$2,864,088.00</b>
<b>2</b>	637	73	300	\$1,869,595.00	\$187,683.00	\$603,600.00	<b>\$2,660,878.00</b>
<b>3</b>	0	0	0	0	0	0	<b>0</b>
<b>TOTAL</b>	<b>1,449</b>	<b>73</b>	<b>539</b>	<b>\$4,252,815.00</b>	<b>\$187,683.00</b>	<b>\$1,084,468.00</b>	<b>\$5,524,966.00</b>

Source: SPA Plan; Parkland Dedication Ordinance; MuniFinancial calculations.

The Eastlake III project will provide 10.92 net acres of public parkland and pay fees in lieu of 5.6 acres which totals 1.73 acres less than the project's demand of 18.25 acres as identified in Table 30. Table 32 identifies the fees calculated for the development component of the PAD fees while Table 33 identifies the fees calculated for the parkland acquisition component of the PAD fees. The applicant has an opportunity to dedicate the 13.5 gross acres in lieu of paying the acquisition component of the PAD fees, which has been calculated in Table 33 to be \$3,974,385.

<b>Table 33 Eastlake III - Park Acquisition and Development (PAD) Fees</b>							
<b>ACQUISITION COMPONENT ONLY</b>							
<b>PHASE</b>	<b>DWELLING UNITS</b>			<b>ACQUISITION COMPONENT OF PAD FEES/DU</b>			<b>TOTAL FEES DUE</b>
	<b>SFD</b>	<b>SFA</b>	<b>MF</b>	<b>SFD @ \$2,115</b>	<b>SFA @ \$1,830</b>	<b>MFD @ \$1,440</b>	
<b>1</b>	812	0	239	\$1,717,380.00	0	\$344,160.00	<b>\$2,061,540.00</b>
<b>2</b>	637	73	300	\$1,347,255.00	\$133,590.00	\$432,000.00	<b>\$1,912,845.00</b>
<b>3</b>	0	0	0	0	0	0	<b>0</b>
<b>TOTAL</b>	<b>1,449</b>	<b>73</b>	<b>539</b>	<b>\$3,064,635.00</b>	<b>\$133,590.00</b>	<b>\$776,160.00</b>	<b>\$3,974,385.00</b>

Source: SPA Plan; Parkland Dedication Ordinance; MuniFinancial calculations.

Maintenance of the Greenbelt Trail within Eastlake III will be the responsibility of the Homeowner's Association.

#### 4.4.6.9 Threshold Compliance and Recommendations

Based upon the analysis contained in this section of the PFFP, the parks standard for both neighborhood and community parks measured on an area-wide basis east of Interstate 805 is projected to be met as follows:

### **Neighborhood Park Phasing**

Prior to the Approval of the first Final Map for the Project, Applicant shall enter into an agreement with the City wherein Applicant agrees to comply with the following schedule for commencement of construction and delivery to the City of the project's park (P-1):

- Prior to issuance of a building permit for the 916<sup>th</sup> dwelling unit for the Project, Applicant shall have commenced construction of project's Park (P-1), to the satisfaction of the Director of Parks and Recreation. Applicant shall complete construction of the park within twelve (12) months of commencement of construction. The term "complete construction" shall mean park construction has been completed according to the City approved construction plans and accepted by the Director of Parks and Recreation. Furthermore, "complete construction" shall mean prior to and shall not include the City's established maintenance period required prior to acceptance by the City for Public use.
- Applicant acknowledges that prior to commencement of park construction, Applicant shall prepare, submit and obtain the approval from the City Council of a Park Master Plan and prepare, submit and obtain the approval from the Director of Parks and Recreation of park Construction Documents and accompanying security.

At any time the Director of Parks and Recreation may, at his sole discretion, modify the neighborhood development phasing and construction sequence for the project's park should conditions change to warrant such revision.

In order to comply with the City's local park standard, it is the responsibility of the developer to comply with the City's Landscape Manual related to park planning, to grade the sites according to the approved plan, and to install improvements or pay fees at the rate in affect at time of building permit issuance, or a combination thereof, as required by the City's Parkland Dedication Ordinance.

### **Additional Park Land for Community Park**

The Park Agreement dated December 19, 2000, contains provisions for the acquisition and dedication of additional park acreage adjacent to Rolling Hills Park in the Salt Creek Ranch SPA for the expansion of this park. The expansion of Rolling Hills Park would be in lieu of the park in the Eastlake Woods neighborhood provided, however, that Eastlake complies with the terms of the Park Agreement.



### **Park Construction**

The neighborhood park may be constructed under one of two alternative processes as follows:

1. The City collects PAD fees for development of the park facilities and the City uses such fee revenues to construct the park; or
2. The City collects PAD fees and, if City accepts a “turn-key” park constructed by the Applicant/developer, then City refunds appropriate PAD fees. The City’s Park and Recreation Department acts to oversee the process to insure the park is constructed to City standards, which includes selecting the design and engineering consultants as well as the prime contractor.

# **WATER**



## **4.4.7 WATER**

### **4.4.7.1 Threshold Standard**

1. Developer will request and deliver to the City a service availability letter from the Water District for each project, as defined by the City.
2. The City shall annually provide the San Diego County Water Authority, the Sweetwater Authority, and the Otay Water District with a 12 to 18 month development forecast and requests an evaluation of their ability to accommodate the forecast and continuing growth. The Districts' replies should address the following:
  - A. Water availability to the City and Planning Area, considering both short and long term perspectives.
  - B. Amount of current capacity, including storage capacity, now used or committed.
  - C. Ability of affected facilities to absorb forecasted growth.
  - D. Evaluation of funding and site availability for projected new facilities.
  - E. Other relevant information the District(s) desire(s) to communicate to the City and GMOC.

The growth forecast and water district response letters shall be provided to the GMOC for inclusion in its review.

### **4.4.7.2 Service Analysis**

Water is provided to the City of Chula Vista through the San Diego County Water Authority, Sweetwater Authority, and the Otay Water District. The City of Chula Vista is working with each of these special districts to ensure that new growth will not reduce the availability of adequate water supplies or jeopardize the water quality standards within the City. Each of these districts is responsible for providing capital facilities necessary to accommodate future growth as well as providing services to existing development within the City of Chula Vista.

The Sweetwater Authority utilizes the *Sweetwater Authority Water Master Plan*, dated December 1989.

The Otay Water District utilizes the 1995 *Water Resources Master Plan* prepared by Montgomery Watson. The document is the planning document used for all future CIP water facilities work. An environmental impact report was also prepared to assess the impacts of the Master Plan.

A *Preliminary Sub-Area Water Master Plan (SAMP) for Eastlake III* dated March 2000 was prepared by John Powell & Associates. The purpose of the SAMP is to determine the backbone facilities required to provide potable and recycled water service to the Eastlake III project.

#### **4.4.7.3 Project Processing Requirements**

##### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify phased demands in conformance with street improvements and in coordination with the construction of sewer facilities.
2. Identify location of facilities for onsite and offsite improvements in conformance with the master plan of the water district serving the proposed project.
3. Provide cost estimates and proposed financing responsibilities.
4. Identify financing methods.
5. A Water Conservation Plan shall be required for all major development projects (50 dwelling units or greater, or commercial and industrial projects with 50 EDU's of water demand or greater.)

#### **4.4.7.4 Existing Conditions**

Much of the water used in the San Diego County Water Authority (SDCWA) area is imported from the Metropolitan Water District. MWD receives its water supply through the State Water Project and the Colorado River Aqueduct. The San Diego County Water Authority conveys water from the MWD to local purveyors within San Diego County.

Eastlake III is located entirely within the Otay Water District's Central Service Area.

Potable water is provided to the Central Service Area by the SDCWA via the Second San Diego Aqueduct. Water is delivered at Aqueduct connections No. 10 and No. 12 and is conveyed by gravity to the District's terminal reservoirs at a grade of 624 feet. One hundred percent of Otay Water District's demand is satisfied by purchases from the SDCWA together with use of recycled water from the Ralph W. Chapman Water Recycling Facility (RWCWRF). A small amount is also purchased from the Helix Water District (HWD).

The delivery and guaranteed availability of water to the City of Chula Vista continues to improve through the cooperative efforts of the water districts and the SDCWA.

#### **4.4.7.5 Adequacy Analysis**

##### **Water Conservation Plan**

A Water Conservation Plan is required for all major development projects (50 dwelling units or greater, or commercial and industrial projects with 50 EDU's of water demand or greater). This plan is required at the Sectional Planning Area (SPA) Plan level, or equivalent for projects that are not processed through a Planned Community Zone. It generally provides an analysis of water usage requirements of the proposed project, as well as a detailed plan of proposed measures for water conservation, use of reclaimed water, and other means of reducing per capita water consumption from the proposed project, as well as defining a program to monitor compliance.

The City is also in the process of developing guidelines for the preparation and implementation of Water Conservation Plans. This effort involves a pilot study to evaluate the relative effectiveness, costs and issues associated with the implementation of additional water conservation measures beyond those currently mandated, in three new development projects including Eastlake III. The evaluation will encompass additional technical water saving devices, as well as the potential expanded use of recycled water, and possibly gray water use. The pilot study will provide information to be used in finalizing a Water conservation Plan for Eastlake III to be considered in conjunction with actions on the project's Tentative Subdivision Map.

The Water Conservation Plan will be presented in conjunction with the SPA Plan document and Tentative Map and is, therefore, not a part of the Public Facilities Financing Plan.

##### **Eastlake III Water Demand**

Eastlake III is within the Otay Water District's 711 and 980 pressure zones. Water demand is projected in the preliminary SAMP using unit demand factors from the District's 1995 Water Resources Master Plan. The projected average annual potable water demand is 953,355GPD.

Until recently, the policy of the Otay Water District was to provide emergency storage equivalent to ten average days' demand. However, this policy has recently been revised to provide a maximum of five average days of terminal storage capacity and a minimum of five average days of supply from interconnections and other sources. Adequate capacity exists to meet the five-day storage requirement.

##### **Otay Water District Master Plan**

The Otay Water District's water and reclaimed water master plan includes water demands for this project as part of the overall demands in the area based upon land use data.



#### **4.4.7.6 Existing Facilities**

##### **Potable Water**

The Central Service Area is supplied from two connections to the SDCWA aqueduct that fills 624 Zone reservoirs. Water is then distributed within the 624 Zone and pumped to the 711 Zone and 980 Zone storage and distribution systems.

There is currently one pump station in the 711 Zone, referred to as the Central Area Pump Station, that is located south of Otay lakes Road adjacent to the 624 Zone Patzig Reservoir. This station pumps water from the 624 Zone system into the 711 Zone distribution system and into two existing reservoirs located in the Eastlake Greens development. The 711 Zone Pump Station currently has four pumps (one standby), each rated for 4,000 gpm, which results in a firm capacity of 12,000 gpm. There is one spare can at this station that allows for the addition of a fifth pump in the future.

There is presently one pump station in the 980 Zone, referred to as the Eastlake Pump Station, which lifts water from the 711 Zone to the 980 Zone reservoirs. This pump station is located on the south side of Otay Lakes Road at Lane Avenue. This pump station is equipped with three 4,000 gpm pumps (one standby) for a firm capacity of 8,000 gpm.

There are currently two reservoirs in the 711 Zone. These reservoirs are located at the same site within the Eastlake Greens development and have capacities of 2.8 and 2.2 million gallons for a total of 5.0 million gallons. Another 711 Zone Reservoir is in the design stage and is to be located in the Otay Water District Use Area Property north of the Rolling Hills Ranch project. This reservoir is expected to be completed in the next two to three years.

There are two existing reservoirs in the 980 Zone system. The reservoirs are located on the Otay Water District Use Area Property north of the Rolling Hills Ranch project. The reservoirs have a capacity of five million gallons each for a total of 10 million gallons.

##### **Recycled Water**

The District intends to construct the system of pumps, transmission pipelines and reservoirs, which will provide recycled water to the development. Two water recycling facilities could supply water to the District. In the near term, the amount of recycled water will be limited to the output of the 1.3 MGD Ralph W. Chapman Water Recycling Facility located near the intersection of Singer Lane and Highway 94. This facility can be expanded to an ultimate capacity of 3.84 MGD. Storage of the effluent is provided by two ponds in the District's Recycled Use Area near two existing 980 Zone potable water tanks. The storage ponds have a high water line of approximately 950 feet and provide the storage and supply for the 950 Zone distribution system. There is



an existing 20-inch pipeline that conveys water from the storage ponds to the Eastlake Golf Course.

#### **4.4.7.7 Proposed Facilities**

The following descriptions reflect the information contained in the *Preliminary Sub-Area Water Master Plan for Eastlake III* dated March 2000. These facilities may be modified following the completion of the subdivision SAMPs to be prepared in conjunction with the subdivision Tentative Maps.

##### **Potable Water**

All of the Woods and most of the Vistas subdivisions will be served by the 980 Pressure Zone. Parcels that will be served by the 711 Pressure Zone include 11 acres of multi-family residential development (unit VR-11) and a community purpose facility (unit CPF-1) located south of Olympic Parkway, and the Panhandle Site (unit PQ-2) located in the southernmost portion of the Project.

##### **Operational Storage**

Based on District criteria, required operational storage within each pressure zone is comprised of three components: (1) operational capacity equal to 0.3 times the maximum day demand for the zone; (2) emergency reserve capacity equal to the maximum day demand for the zone; and (3) the maximum fire flow volume for the zone.

The identification of needed facilities was based on the assumption that at build-out of Eastlake III other projected subdivisions would also be built out. Recognizing the short term need for additional 711 Zone storage capacity, the District is currently in the design phase for the 16 MG 711-3 Reservoir. Additionally, the District has programmed construction of the planned 6.0 MG 980-3 reservoir during the period 1995-2000.

##### **Emergency Storage**

Emergency storage will be provided at the Eastlake Greens Reservoir (624-3). Based on an average annual day demand of 1.0 MG, the required emergency storage capacity for the project is 5.0 MG.

##### **Pumping Facilities**

The Project will be served by the 711 and 980 Zones and, therefore, will place additional demand on the existing Central Area (711) and Eastlake (980) Pump Stations. Prior to the completion of the Project, additional demands will be imposed on the service area by other developments. Based on these demands, existing 711 Zone pumping capacity may require expansion, either the installation of an additional pump at the Central Area Pump Station or construction of the planned Eastlake Greens Pump Station.

### **Transmission Mains**

As part of the District's Capital Improvement Program (CIP), the 980 Zone transmission system will be extended east in Otay Lakes Road and Olympic Parkway, and south in Hunte Parkway. The 711 Zone transmission system will be extended east in Olympic Parkway.

Specific alignments and phasing of the on-site backbone water system, including CIP mains, will be identified and included in the subdivision SAMPs to be prepared in conjunction with the subdivision Tentative Maps.

### **Recycled Water**

The subdivisions surrounding the project will be extending the 950 Zone recycled water transmission mains eastward in Otay Lakes Road and Olympic Parkway to the Project boundary. The on-site recycled water distribution system will be specified in the subdivision SAMPs to be prepared in conjunction with the subdivision Tentative Maps. To the extent that the Water Conservation Plan study noted in section 4.4.7.5 affects areas to be irrigated with recycled water, those will be reflected in the SAMPs.

In accordance with Regional Water Quality Control Board and County Environmental Health Department guidelines, best management practice will be used to eliminate or minimize ponding, surface runoff, or overspray of irrigation water. The irrigation system will be designed such that neither direct drainage of recycled water to storm drains occurs nor will recycled water be used to irrigate areas draining to Otay Reservoir.

#### **4.4.7.8 Financing Water Facilities**

The financing and construction of water facilities is provided by two methods:

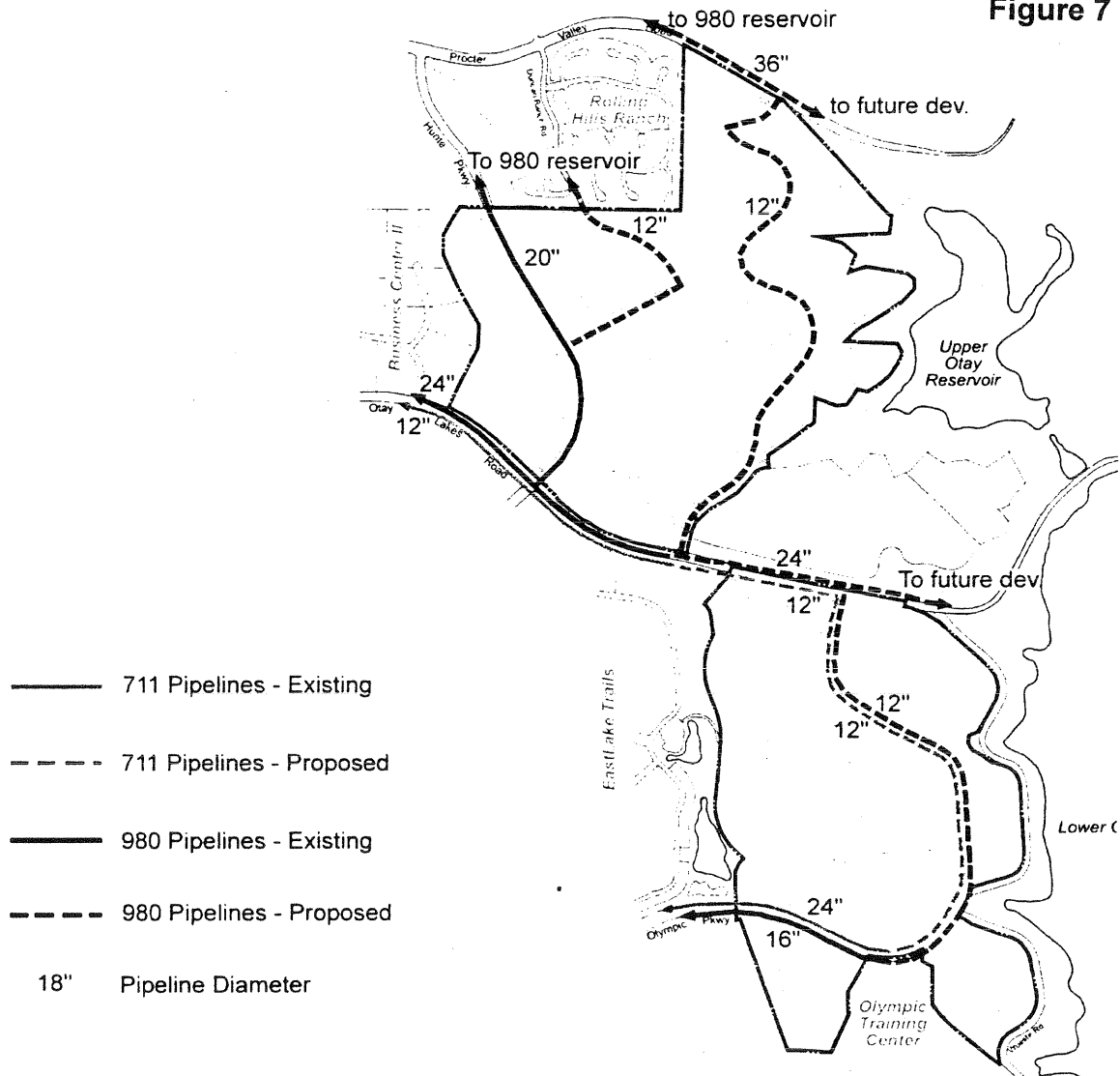
##### ***Capacity Fees:***

Otay Water District's Capital Improvement Program (CIP) wherein the District facilitates design and construction of facilities and collects an appropriate share of the cost from developers through collection of capacity fees from water meter purchases. Capital Improvement Projects typically include supply sources, pumping facilities, operational storage, terminal storage, and transmission mains.

The Otay Water District may use bond debt financing from Improvement District 27 to assist in the financing of the District's CIP program. CIP projects are paid for by capacity fees collected on the sale of water meters after building permit issuance. Eastlake III is currently within the boundaries of Improvement District 27. The project will be required to annex into Improvement District 22.

# Potable Water System

Figure 7



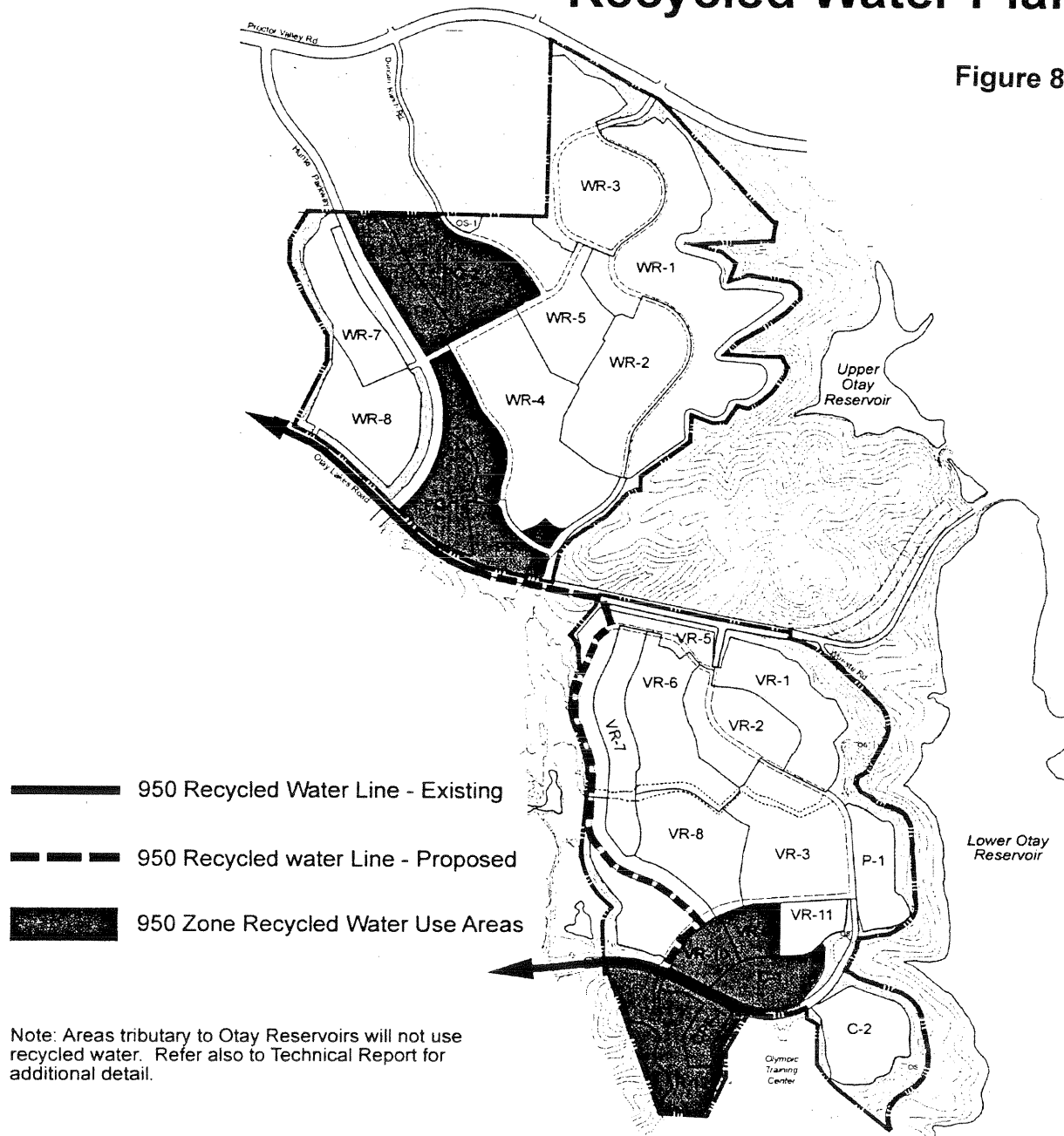
Source: John Powell/PBS&amp;J

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# Recycled Water Plan

Figure 8



Source: John Powell/PBS&amp;J

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2-12-01



***Exaction:***

Wherein the developer designs and constructs facilities that serve his/her development only. When complete, the facilities are dedicated to the District. The developer is required to finance and construct water and recycled water facilities and dedicate these facilities to the Otay Water District.

**Potable Water Improvement Costs**

The total capital cost for potable water facilities will be determined at the time the system is designed and the SAMP is finalized. In accordance with District Policy No. 26, the District may provide reimbursement for construction and design costs associated with development of these improvements.

**Recycled Water Improvement Costs**

The total capital cost for recycled water facilities will be determined at the time the system is designed and the SAMP is finalized. The District may provide reimbursement for construction and design costs associated with development of these improvements.

**4.4.7.9 Threshold Compliance and Recommendations**

The *Otay Water District Water Resource Master Plan* and the *Preliminary Sub-Area Water Master Plan (SAMP) for Eastlake III* dated March 2000 identify water facilities to be constructed to provide the appropriate level of water service to meet the criteria established within the plans. The Otay Water District agrees in concept with the preliminary SAMP, however, a completed subdivision-level SAMP is required for approval by the District prior to the approval of a tentative map for the project. The potable and recycled water systems will be designed at that time and the costs will be identified by phase of development. Any relevant outcomes of the Water Conservation Plan pilot study to the potable or recycled water systems will be presented in the SAMP as applicable. The applicant shall be responsible for funding the required system improvements.

The developer shall request and deliver to the City a service availability letter from the Otay Water District prior to each final map.



# SEWER





## **4.4.8 SEWER**

### **4.4.8.1 Threshold Standard**

1. Sewage flows and volumes shall not exceed City Engineering Standards.
2. The City shall annually provide the San Diego Metropolitan Sewer Authority with a 12-18 month development forecast and request confirmation that the projection is within the City's purchased capacity rights and an evaluation of their ability to accommodate the forecast and continuing growth, or the City Engineering Department staff shall gather the necessary data. The information provided to the GMOC shall include:
  - A. Amount of current capacity now used or committed.
  - B. Ability of affected facilities to absorb forecasted growth.
  - C. Evaluation of funding and site availability for projected new facilities.
  - D. Other relevant information.

### **4.4.8.2 Service Analysis**

The City of Chula Vista currently purchases capacity for wastewater treatment through the City of San Diego. Chula Vista oversees the construction, maintenance and the operation of the sewer trunk line system. The City Engineer is responsible for reviewing proposed developments and ensuring that the necessary sewer facilities are provided with each development project.

The Sewer Threshold Standard was developed to maintain healthful, sanitary sewer collection and disposal systems for the City of Chula Vista. Individual projects are required to provide necessary improvements consistent with the City of Chula Vista Wastewater Master Plan dated July 1989 and shall comply with all city engineering standards.

Information regarding the existing and recommended sewer facilities is presented in the *Preliminary On-Site Sewer Study for Eastlake III* prepared by SB&O, Inc. dated September 18, 2000. The project area is located within the Salt Creek Gravity Basin, and the planned Salt Creek Interceptor will ultimately serve the project. If the Salt Creek Interceptor is not operational prior to initiation of Eastlake III construction, wastewater flows will be temporarily pumped to existing sewer facilities in Telegraph Canyon and/or Poggi Canyon. The *Eastlake III Off-Site Sewer Study* prepared by John Powell & Associates, Inc. dated November 2000 and revised January 3, 2001 illustrates the sewer system upgrades needed to serve a proposed build-out projection to year 2005 of those subdivisions that may contribute sewage to the Telegraph Canyon and/or Poggi Canyon Sewer Trunks by gravity or pumping. A staff report was also prepared to evaluate the capacity constraints in the Poggi Canyon Trunk Sewer as the line relates to existing and planned development within the gravity basin and those areas proposed for pumping into the Poggi

Canyon Sewer Trunk. The report, in memorandum form, is entitled *Threshold Capacity of Poggi Canyon Trunk Sewer* dated February 19, 2001, and authored by Frank Rivera and Sohaib Al-Agha, both Senior Civil Engineers in the Public Works Department (see Attachment I of subsequent EIR No. 01-01).

The actual off-site sewer improvements needed for Eastlake III would be determined by the City Engineer consistent with 1) the requirements of Council Policy No. 570-03 ("Sewage Pump Station Financing Policy") which sets forth the policy and procedure for approving the construction of sewage pump stations and associated improvements and operating and maintenance costs, 2) the Preliminary Offsite Sewer Study for Eastlake III, and 3) the City staff memorandum dated February 19, 2001.

#### **4.4.8.3 Project Processing Requirements**

##### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify phased demands for all sewer trunk lines in conformance with the street improvements and in coordination with the construction of water facilities.
2. Identify location of facilities for on-site and off-site improvements in conformance with the *Preliminary On-Site Sewer Study for Eastlake III* prepared by SB&O, Inc. dated September 18, 2000, and consistent with Council Policy No 570-03, the *Preliminary Off-site Sewer Study for Eastlake III* and the memorandum report entitled *Threshold Capacity of Poggi Canyon Trunk Sewer* dated February 19, 2001, authored by Frank Rivera and Sohaib Al-Agha, both Senior Civil Engineers in the Public Works Department.
3. Provide cost estimates for all facilities and proposed financing responsibilities.
4. Identify financing methods.

#### **4.4.8.4 Existing Conditions**

##### **Sewer Basins**

Sewer service for Eastlake III will be provided by the City of Chula Vista. The eastern portion of the City lies within four sewer drainage basins, referred to as the Salt Creek, Telegraph Canyon, Poggi Canyon and Wolf Canyon Sewer Basins.

The Salt Creek Sewer Basin includes the drainage basins of Salt Creek and the eastern portion of the Otay River as well as portions of the Otay Lakes drainage basin. Existing and planned development within the basin includes Rolling Hills Ranch, Eastlake Woods, Eastlake Vistas, portions of Eastlake Greens and Eastlake Trails, and the Olympic Training Center in the northern portion of the basin, and Otay Ranch in the southern portion of the basin.

The City of Chula Vista is currently designing the proposed Salt Creek Interceptor that will generally follow Salt Creek south through Rolling Hills Ranch and Eastlake Trails subdivisions, and Otay Valley Road west through the southern portion of Otay Ranch. The anticipated completion date for the interceptor is the first quarter of 2003, however, significant environmental constraints have been identified which could potentially delay completion of the project.

The Telegraph Canyon Interceptor conveys sewage from just west of the Project to a connection to the City of San Diego's Metro System near Interstate 5. Wastewater from existing development (such as Eastlake Greens, Eastlake Trails, Rolling Hills Ranch, and Olympic Training Center) is conveyed via the Olympic Parkway Pump Station and the Otay Lakes Road Pump Station to the Telegraph Canyon Sewer Interceptor.

Notwithstanding the additional pumped flows, improvements to the Telegraph Canyon Interceptor will be required prior to build-out of the sewer basin.

The Poggi Canyon Sewer Basin extends southwesterly from approximately 8,000 feet west of the Project to the Otay River just west of Interstate 805. The basin lies between the Telegraph Canyon Basin to the north and the Salt Creek Basin to the south. Sewage generated within the basin will be conveyed to the Metro system via the planned Poggi Canyon Interceptor, which will generally follow the future Olympic Parkway connecting to the planned Salt Creek Interceptor in Otay Valley Road at Melrose Avenue.

The Poggi Canyon Interceptor will be completed in conjunction with construction of Olympic Parkway that is currently underway. The anticipated completion date of the interceptor is 2003.

### **Temporary Pump Stations**

The Otay Lakes Road Pump Station, located adjacent to Otay Lakes Road approximately 1,500 feet east of Hunte Parkway, currently pumps sewage from portions of Eastlake Greens and Rolling Hills Ranch developments to the Telegraph Canyon Interceptor. The service area of the pump station also includes the planned Eastlake Woods subdivision and portions of the Eastlake Trails subdivision. The pump station has a design capacity of 1,530 gpm; however, recent data indicates the actual capacity is approximately 1,340 gpm.

The Eastlake Company entered into an agreement with the City in 1990 to allow for operation of the pump station and discharge of non-tributary sewage flows from Eastlake Greens, Eastlake Trails, and the Olympic Training Center to the Telegraph Canyon Basin. This agreement expired in 2000. Additionally, the Eastlake Company, Pacific Bay Homes (Rolling Hills Ranch), and the City entered into an agreement in 1998 regarding the joint use and future expansion of the pump station. This agreement stipulated that the Eastlake Company will be required to expand the capacity of the pump station when the total number of equivalent dwelling units (EDUs) discharging to the pump station reaches 3,288. Based on current development projections, this threshold will be reached in early 2001.

The Olympic Parkway Pump Station, located adjacent to Olympic Parkway approximately 1,200 feet east of Hunte Parkway, currently pumps sewage flows from portions of Eastlake Greens, Eastlake Trails, and the Olympic Training Center to the Otay Lakes Road Pump Station via a 12-inch force main in Hunte Parkway. The service area for the Olympic Parkway Pump Station also includes portions of Eastlake Trails and Eastlake Vistas. The pump station discharges to the Otay Lakes Pump Station wet well and subsequently the discharge is pumped, along with gravity flows to the Otay Lakes Pump Station, to the Telegraph Canyon Interceptor.

#### **4.4.8.5 Adequacy Analysis**

The wastewater master plan evaluates sewer facilities from two aspects: The current and future adequacy of trunk sewers and the future adequacy of wastewater treatment facilities.

##### **Wastewater Treatment**

Current Chula Vista average daily wastewater flow is approximately 14.262 million gallons per day (mgd). Reducing the City's allocation of 19.843 mgd by this daily flow results in a daily capacity surplus of 5.581 mgd.

For design purposes, a factor of 265 gpd from the City's *Subdivision Manual* is used. The sewage generation factors used in this report are given below.

1. Single Family Residential	265 gpd/unit
2. Multi-Family Residential	199 gpd/unit
3. Commercial	2,500 gpd/acre
4. Industrial	2,500 gpd/acre
5. Community Purpose Facilities	2,500 gpd/acre
6. Elementary School	12,000 gpd/site
7. Parks	1,500 gpd/acre

The Development Phasing Forecast Summary, as shown in Table 4 of the Land Use Assumptions section, lists 12,651 residential dwelling units in various categories of entitlement through the year 2005. The planning department also reports as of October 2000 there were 975,577 sf of non-

residential under construction, 457,754 sf in plan check, and 420,232 sf in design review all totaling. Applying the per day wastewater factors for each land use generates a total of 3,458,765 gallons per day of wastewater associated with the forecasted development category. This amount associated with forecasted development reduces the capacity surplus from 5.581 to 2.122 mgd (5,581,000 - 3,458,765).

**Table 34 Sewer Capacity Used By Forecasted Development**  
(see Table 4 in Land Use Assumptions section)

Land Use Type	2005 Forecast	Generation Factor	Gallons per Day
<b>Beginning surplus capacity</b>			<b>5,581,000</b>
Residential	12,651 DU	265 gpd/unit	3,352,515
Commercial/Industrial	42.5 AC	2,500 gpd/acre	106,250
<b>Total used by forecasted development</b>			<b>3,458,765</b>
<b>Total remaining capacity</b>			<b>2,122,235</b>

Source: City of Chula Vista; MuniFinancial calculations.

After reducing the capacity surplus (5.581 mgd) by the total associated with forecasted development (3,458,765 gpd), the remaining capacity of 2,122,235 gpd is further reduced to 1,460,644 gpd by subtracting the flows generated from the Eastlake III project as shown in Table 35.

**Table 35 Sewer Capacity Used By Eastlake III**

Land Use Type	DU's or Acres	Generation Factor	Gallons per Day
<b>Remaining Sewer Capacity from Table 34</b>			<b>2,122,235</b>
SFR	1,522 DU's	265 gpd/unit	403,330
MFR	539 DU's	199 gpd/unit	107,261
CPF Site	10.8 AC	2,500 gpd/acre	27,000
Elementary School	1	12,000 gpd/site	12,000
Jr. High School	1	28,000 gpd/site	28,000
Fire Station	1	500 gpd/site	500
Park	13.5 AC	500 gpd/acre	6,750
Commercial/Industrial	30.7 AC	2,500 gpd/acre	76,750
<b>Less total capacity used by Eastlake III</b>			<b>661,591</b>
<b>Total capacity remaining after Eastlake III</b>			<b>1,460,644</b>

Source: Eastlake III Off-Site Sewer Study.

The remaining capacity after the inclusion of Eastlake III can accommodate approximately 5,511 DU's at 265 gpd/DU (1,460,644/265).

### **Trunk Sewers**

The design capacity is a standard for peak flows based on the sewer line's size. The design capacity flow rate is low compared to actual sewer pipe capacities. However, evaluating the design capacity, as opposed to the actual flow capacity, establishes an early warning system that will identify where future improvements may be necessary.

The construction of new sewer trunk lines must be phased with the construction of streets. The wastewater treatment requirements and sewer trunk line system are currently meeting the threshold standard.

The City requires dual force mains for pump stations as a back up measure in the event of a force main failure. Eastlake III should provide for the construction of dual force mains to reroute flows from Olympic Parkway Pump Station to Poggi Canyon Sewer Basin unless otherwise directed by the City.

#### **4.4.8.6 Recommended Sewerage Facilities**

##### **Eastlake III On-site Improvements**

The Eastlake III Woods and Vistas development will ultimately drain to the Salt Creek interceptor main line via a series of on-site gravity main lines. The Salt Creek interceptor is anticipated for completion in early 2003, however, significant environmental constraints have been identified which could potentially delay the project. The first units within the Eastlake III areas are expected to be occupied and on-line sometime within the year 2002.

Based on sewage generation factors and the proposed development plan for the Eastlake III project, 8-inch gravity sewers are adequate to serve the project

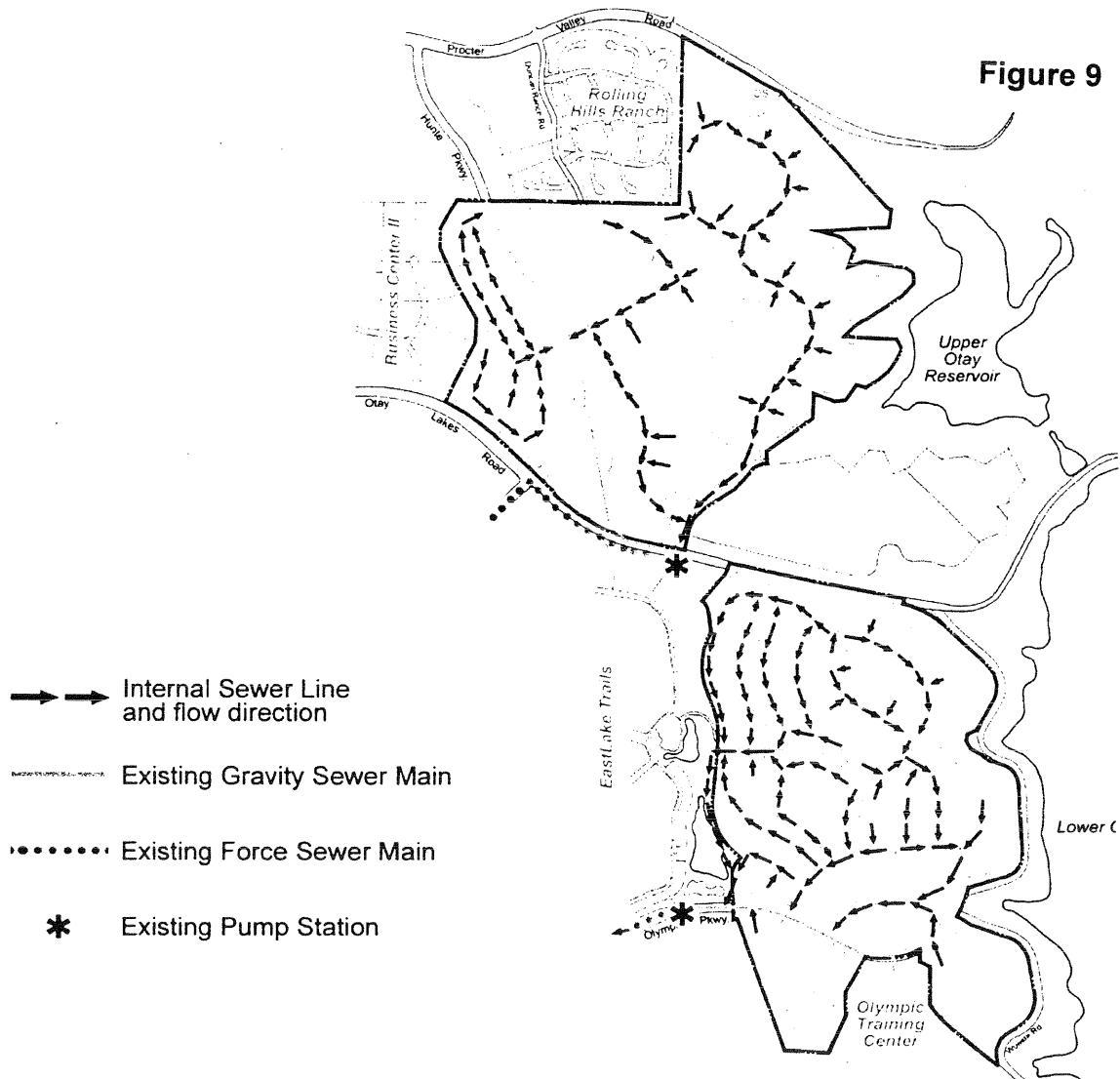
##### **Eastlake III Off-site Improvements**

Eastlake III will sewer by gravity to the planned Salt Creek Interceptor that will have adequate capacity to accept Project sewer flows. Due to environmental constraints, however, the complete interceptor may not be available for the initial phases of the project. If the Salt Creek Interceptor is not operational at the time of consideration of the final maps, the project may be allowed to pump to the Poggi Canyon or the Telegraph Canyon sewer trunk. The developer will be required to meet Council Policy No. 570-03 ("Sewage Pump Station Financing Policy"), which requires Council approval of the proposed pumping alternatives and associated improvements. The developer would also be conditioned to fund the establishment of a Poggi Canyon Pumped Sewer Development Impact Fee to finance the construction of the sewer upgrades needed for conveying Eastlake III pumped flows. Said Development Impact Fee would be approved by Council prior to approval of the first final map proposing to pump Eastlake III sewage to the Poggi Canyon Sewer.

The *Eastlake III Off-Site Sewer Study* by John Powell & Associates (see Attachment I of the Subsequent EIR #01-01) analyzes different alternatives for providing interim sewer service to Eastlake III through 2005 in the event that construction of the Salt Creek interceptor is delayed. The study demonstrates that pumping may be a viable alternative for providing interim sewer service to Eastlake III. The actual off-site sewer improvements needed for Eastlake III

# Sewer Plan

Figure 9



Note: The sewer system indicated is subject to technical refinement during the subdivision process. Refer also to Technical Sewer Reports for additional detail.

Source: SB&O, Inc.

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together with their financing mechanism would be determined by following the City Engineer, consistent with 1) the requirements of Council Policy No. 570-03, 2) the Preliminary Offsite Sewer Study for Eastlake III, and 3) the City staff memorandum dated February 19, 2001 (see Attachment I of the subsequent EIR #00-01). Flows from no more than 1,610 dwelling units in Eastlake III would be pumped to Telegraph Canyon and/or Poggi Canyon, as described in the *Off-Site Sewer Study*.

### **Capacity of Poggi Canyon Trunk Sewer**

The February 19, 2001, City staff memorandum on this subject identifies the current capacity of this trunk sewer as accommodating 947 EDUs in addition to existing and entitled development within Otay Ranch SPA One and Sunbow. The improvements described below will expand the sewer capacity in Poggi Canyon for future gravity and pumped flows.

#### **Connection to Reach 9B of Salt Creek Interceptor (P1)**

The Poggi Canyon Trunk Sewer will be reconnected from the Date-Faivre Trunk Sewer to Reach 9B of the Salt Creek Interceptor following construction in early 2002.

#### **Poggi Canyon Trunk Sewer Reach 205 Upgrade (P2)**

Reach 205 is located under Interstate 805. The 1997 Wilson Engineering study indicates that the existing 18-inch diameter pipe is undersized to support buildout of the gravity basin. Replacing the 18-inch pipe with a 21-inch pipe will provide sufficient capacity to accommodate buildout of the gravity basin.

#### **Poggi Canyon Trunk Sewer Upgrade, Olympic Parkway between East Palomar and La Media (P3)**

Since the additional demand created by pumped flows differs from basin capacity based on gravity flows, pumping flows into the Poggi Canyon Gravity Basin may require additional improvements, depending on the amount of pumped volume into the basin. After pumped flows from 1,693 EDUs are accommodated, the design capacity of the trunk sewer in Olympic Parkway, between East Palomar and La Media, will be exceeded. Upgrading this portion of the line from the existing 15-inch to 18-inch diameter pipe will remove capacity restrictions for pumped flows from this reach.

The following lists identify the thresholds for improvements required for increases in both gravity and pumped flows and the thresholds for those improvements needed only for pumped flows. If the EDU threshold for Poggi Canyon Sewer is met before Eastlake constructs 1,610 dwelling units, as

determined in *Off-Site Sewer Study*, then construction in Eastlake III will be delayed until the Salt Creek Interceptor is operational.

The thresholds for Poggi Canyon Basin can be amended by the City Engineer if he/she determines in his/her sole discretion, that the EDU assumption of in-basin gravity flows are such that additional pump flows, beyond what is currently identified below, can be accommodated as evidenced by monitoring.

#### **IMPROVEMENT THRESHOLD FOR GRAVITY AND PUMPED FLOWS<sup>15</sup>**

<u>EDU's</u>	<u>Required Improvement<sup>16</sup></u>
948	P-1
3,770	P-2

#### **IMPROVEMENT THRESHOLD FOR PUMPED FLOWS<sup>15</sup>**

<u>EDU's</u>	<u>Required Improvement<sup>16,17</sup></u>
1,694	P-3
3,651	Salt Creek Sewer

#### **4.4.8.7 Financing Sewerage Facilities**

The applicant shall be required to comply with all the requirements of Council Policy No. 570-03 (Sewage Pump Station Financing Policy). In addition to the requirements imposed by said Council Policy, the applicant shall be required to perform the following:

- Removal of any new or modified pump station and associated improvements to the satisfaction of the City Engineer upon completion of the Salt Creek Sewer Interceptor.
- Connection of the project by gravity to the Salt Creek Sewer Interceptor to the satisfaction of the City Engineer upon completion of the Salt Creek Sewer Interceptor.
- Provide funding for establishing the Poggi Canyon Pumped Sewer Development Impact Fee. Said Development Impact Fee shall be prepared by the City, as directed by the City Engineer, and approved by City Council prior to approval of the first final map for

<sup>15</sup> Pumped EDU's shall mean the aggregate of: 1) all existing EDU's; and 2) EDU's contained within approved final maps which are proposed for pumping to the Poggi Canyon Sewer Trunk (including but not limited to Eastlake III, Rolling Hills Ranch, Eastlake Trails, Eastlake Greens, Olympic Training Center, Otay Ranch Village 11)

<sup>16</sup> Developer shall agree to construct and secure the Required Improvements prior to approval of the final map containing the associated cumulative EDU's.

<sup>17</sup> In addition to improvements identified for gravity and pumped flows.

the project proposing to pump Eastlake III sewage to the Poggi Canyon Sewer.

- Funding a sewer flows monitoring program for the Poggi Canyon Sewer as determined by the City Engineer.

Furthermore, the applicant shall:

- Underwrite the cost of all studies and reports required to support the addition of sewer flows to existing lines.
- Assume the capital cost of all sewer lines, pump stations, and connections identified herein.
- Pay all current sewer fees required of the City of Chula Vista and, if necessary, the County of San Diego.

Adoption of City of Chula Vista Ordinance Number 2617 established a fee to be paid for future development within the Salt Creek Basin that connect into the existing system. The following tables summarize the fees to be paid by each land use type and phase of development. These fees are typically collected at the time building permits are issued.

<b>Table 35A Salt Creek Basin Impact Fees</b>	
Land Use	Fee
Single Family Residential	\$284/unit
Multi-Family Residential	\$213/unit
Commercial	\$2,840/acre
Community Purpose	\$2,840/acre
Schools	\$1,136/acre
Park	\$568/acre

<b>Table 35B Salt Creek Basin Impact Fees By Phase</b>				
Land Use	Phase 1	Phase 2	Phase 3	Amount
SFRDU	\$230,608	\$201,640.00	\$0	\$432,248
MFRDU	\$50,907.00	\$63,900		\$114,807
Commercial AC	\$0	\$0	\$87,188	\$87,188
CPF AC	\$23,572	\$0	\$0	\$23,572
Schools AC	\$44,758	\$0	\$0	\$44,758
Park AC	\$7,668	\$0	\$0	\$7,668
<b>Total</b>	<b>\$357,514</b>	<b>\$265,542</b>	<b>\$87,188.00</b>	<b>\$710,241</b>

#### 4.4.8.8 Threshold Compliance and Recommendations

Facilities to accommodate sewer flows have been identified. The construction of new sewer lines must be phased on or before the construction of streets. As such, the new facilities identified in this plan shall be required of the applicant as constructed facilities.



# DRAINAGE



## **4.4.9 DRAINAGE**

### **4.4.9.1 Threshold Standard**

1. Storm water flows and volumes shall not exceed City Engineering Standards.
2. The GMOC shall annually review the performance of the City's storm drain system to determine its ability to meet the City's goals and objectives.

### **4.4.9.2 Service Analysis**

The City of Chula Vista, through its Public Works Department, is responsible for ensuring that safe and efficient storm water drainage systems are provided concurrent with development in order to protect the residents and property within the city. City staff shall review individual projects to ensure that improvements are provided which are consistent with the drainage master plan(s) and that the project complies with all City engineering drainage standards.

Drainage facilities are planned for in the *City of Chula Vista Public Facilities Plan Flood Control Summary Report*, dated March 1989 (Phase II).

Eastlake III drainage improvements are identified in the *Preliminary Drainage & Detention Study for Eastlake III* (Volumes 1 & 2) prepared by SB&O, Inc. dated February 27, 2001.

### **4.4.9.3 Project Processing Requirements**

#### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Identify phased demands.
2. Identify locations of facilities for onsite and offsite improvements.
3. Provide cost estimates.
4. Identify financing methods.



#### 4.4.9.4 Existing Conditions

##### **Drainage Facilities**

The *City of Chula Vista Public Facilities Plan, Flood Control Summary Report*, March, 1989, shows fifteen major drainage basins in Chula Vista. These drainage basin boundaries were determined by existing topography, drainage conditions and land uses. Four of these are essentially developed and not expected to have significant changes in runoff. Eleven drainage basins are east of Interstate 805 with one of the basins, Bonita Long Canyon, is mostly developed to the predicted densities in Scenario 4 of the general plan. Only the remaining ten basins will experience major development and the subsequent changes in drainage conditions.

The City's Drainage Master Plan analyzed current and future requirements for drainage facilities. The report details three alternative solutions for drainage in each basin. Because drainage facilities are directly related to the type and location of future development, it is not possible to determine which specific improvements will be required until a development project is presented and reviewed by staff.

The Eastlake III project straddles the ridgeline between the Salt Creek and Otay Lakes basins. The proposed development areas have the potential to impact the quality and quantity of storm water runoff. Both of the lakes are operated by the City of San Diego, including a water filtration plant for domestic uses.

##### **Water Quality**

Water quality of runoff is regulated by the Federal National Pollution Discharge Elimination System (NPDES) Program established by the Clean Water Act, which controls and reduces pollutants to water bodies from point and non-point discharges. In California, the program is administered by the California Regional Water Quality Control Board (RWQCB). The San Diego RWQCB issues NPDES permits for discharges to water bodies in the San Diego area, including Municipal Storm Water Discharge Permits (area- or county-wide). During construction and development, the project would be subject to the NPDES General Construction Activity Storm Water Permit and the Clean Water Act 401 Water Quality Certification.

The RWQCB must certify that any permit issued by the U.S. Army Corps of Engineers pursuant to Section 404 of the Clean Water Act (covering dredging or filling of wetlands) complies with state water quality standards. Section 401 Water Quality Certification, or waiver, is necessary for all 404 Nationwide Permits, reporting and non-reporting, as well as individual permits. Additionally, all projects in City boundaries must comply with the City of Chula

Vista municipal permit in effect at the time of issuance of grading/construction permits.

For the management of storm water, municipalities in the San Diego region, including the City of Chula Vista, must comply with the Regional Water Quality Control Board's NPDES Permit No. CA 0108758, which consists of wastewater discharge requirements for storm water and urban runoff. In compliance with Permit No. CA 0108758, a Best Management Practices (BMP's) Program for Storm Water Pollution Control has been created. BMP's appropriate to the characteristics of a project may be employed to reduce pollutants available for transport and to reduce the amount of pollutants in runoff prior to discharge to a surface water body.

Typical post-development BMP's to treat water quality are concerned with nuisance water and first flush events. The State Water Quality control Board (SWQCB) has discussed calculation methods, which encompass a range of values for 0.5 inch of runoff from the impervious portion of the basin, up to a two-year storm event. The latest SWQCB proposal includes both volumetric-based standards and flow rate standards for water quality treatment.

The following lists the BMP's that may be applicable to the proposed project and incorporated into future storm water control plans. These include, but are not limited to:

- Infiltration basins that are designed to hold runoff and allow percolation into the ground. To be effective they require adequate storage volume in locations underlain by soils that provide good permeability.
- Infiltration trenches and dry wells, consisting of holes or trenches filled with aggregate and then covered. Dry wells are typically used for runoff from roofs; infiltration trenches typically serve larger areas, such as streets and parking lots in commercial areas. Both are best suited for areas with permeable soils and a sufficiently low water table or bedrock.
- Porous pavement, including lattice pavers or porous asphalt used to replace large areas of paving that are not subject to heavy traffic.
- Vegetative controls with plant materials intended to intercept rainfall, filter pollutants, and absorb nutrients. For example, grass swales or shallow grass-covered channels could be used in place of buried storm drains. These types of vegetative controls are most applicable to residential areas.
- Nonstructural methods, such as controlling litter and waste disposal practices.

The SWQCB has recently adopted a new Municipal Storm Water Permit. The County of San Diego, the local cities (including Chula Vista), and port districts are working as co-permittees to create a countywide standard for municipal permits. On February 21, 2001, the San Diego Regional Water Quality Control Board (SDRWQCB) approved the Water Discharge Requirements for

Discharges of Urban Runoff From the Municipal Separate Storm Sewer Systems (MS4s) Draining the Watersheds of the County of San Diego, the Incorporated Cities of San Diego County, and the San Diego Unified Port district (Order No. 2001-01 Municipal Storm Water Permit for San Diego County and Cities). Order No. 2001-01 is the re-issuance of Order No. 90-42. The permit includes regulations such as Standard Urban Storm Water Mitigation Plans (SUSWMPs) and Numeric Sizing Criteria for volume or flow-based BMPs as described in the Order. Under these requirements, developers would be required to implement structural and non-structural mitigation measures that would reduce pollution to storm water runoff to the maximum extent practicable.

The City of Chula Vista will require developers to comply with all relevant regulations in Order No. 2001-01, including revision of plans as necessary.

#### **4.4.9.5 Proposed Facilities**

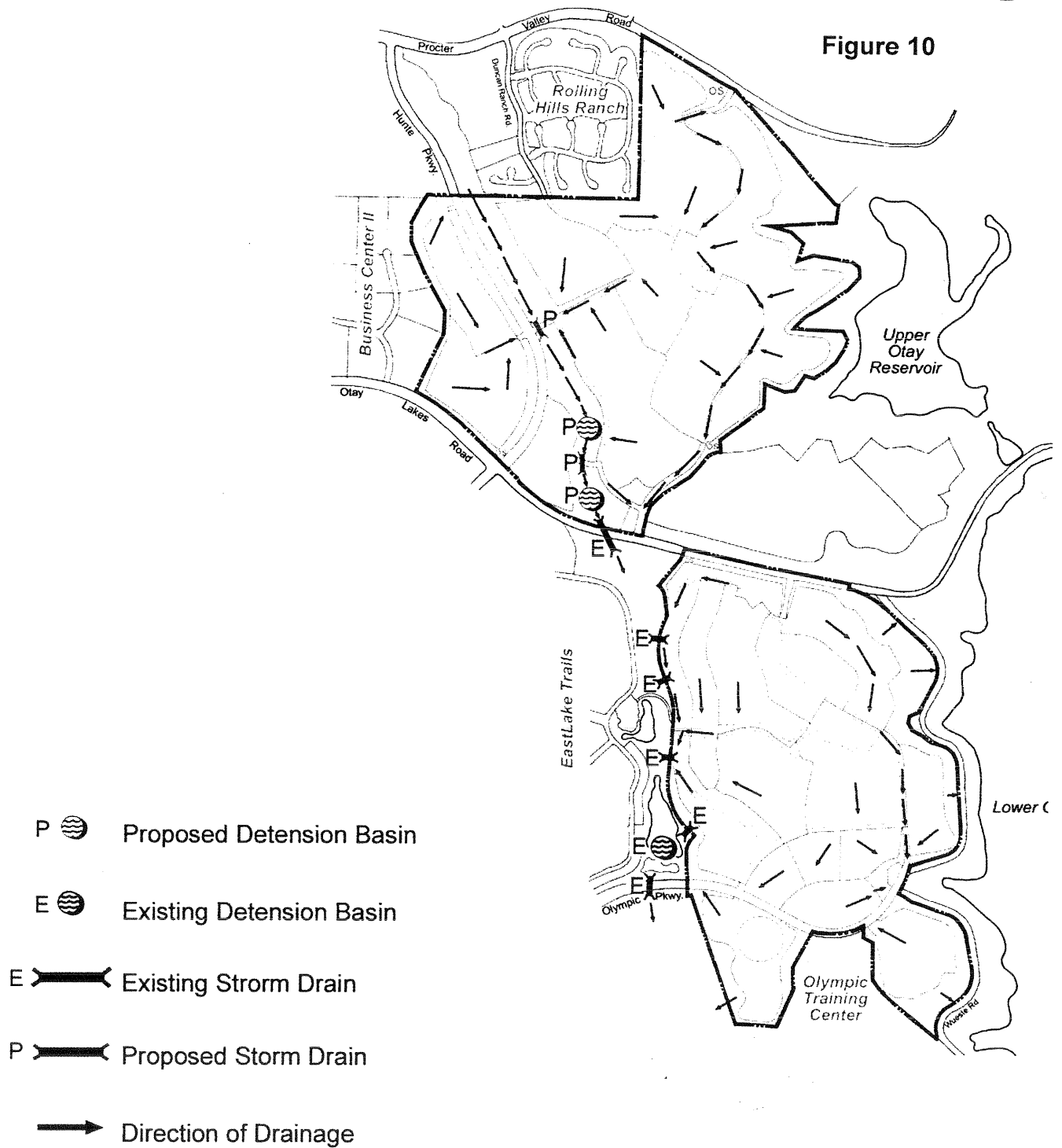
The combined Woods and Vistas projects will divert approximately 243 acres of run-off from the Otay Lakes to the Salt Creek basin. This diversion will be accomplished by gravity flow and/or mechanical means to convey runoff to Salt Creek. An agreement between Eastlake and the City of San Diego should be negotiated to compensate for the loss. This agreement needs to provide for compensation of actual acreage loss when final plans for the project are complete. The agreement also needs to address both total and partial diversions, if any.

The proposed Woods detention basins and the detention basins to be provided by the Salt Creek Ranch development will limit up to the 100-year storm water run-off to at or below the pre-development conditions. When complete, no storm water impacts to the Olympic Parkway storm drain/detention facility or the Salt Creek basin are anticipated due to development of the Woods and Vistas. In the event that the proposed Salt Creek detention basins in Rolling Hills Ranch are not constructed, the capacity and attenuation of the Woods facility would need to be expanded significantly.

The proposed detention basin, with the water quality features, will allow effective removal of the suspended sediment and silt. In order to address the increase in total dissolved solids (TDS) and other contaminants, an extended facility with wetland plants is recommended. This type of facility would provide a cost-effective solution with minimal long-term maintenance cost.

# Storm Drainage

Figure 10



Source: SB&O, Inc.



Based upon preliminary estimates and rough calculations, the additional areas and diversions from the Vistas could exceed the capacity of the existing Olympic Parkway storm drain system. The final design of the Vistas storm drain should direct storm water run-off beyond the capacity of the Olympic Parkway system to the existing Salt Creek outfall(s) located onsite. The storm drain systems should be reviewed during final design to verify that capacity is adequate to accommodate the additional flows.

### **Urban Runoff Facilities**

The Upper and Lower Otay Lakes are operated by the City of San Diego as domestic water reservoirs. These reservoirs must be protected from urban runoff to maintain water quality for domestic use. Portions of the Eastlake III project drain into the watersheds of these reservoirs. Salt Creek is a USGS blueline stream, which makes it a water resource of the United States under the County Water Authority. All development in excess of five acres must incorporate urban runoff planning, which will be detailed at the Tentative Tract Map level.

In conformance with the National Pollution Discharge Elimination system (NPDES) General Permit No. CAS000002, as a condition of the California State Water Resources Control Board (SWRCB) Order No. 92-08-DWQ, and as a requirement of the new NPDES Municipal Permit, Eastlake III will have a Storm Water Pollution Prevention Plan (SWPPP) prepared prior to the start of construction. This plan will identify pollutant sources associated with construction sites and will identify construction as well as implementation of storm water management practices to abate pollutants in storm water discharges from the construction site.

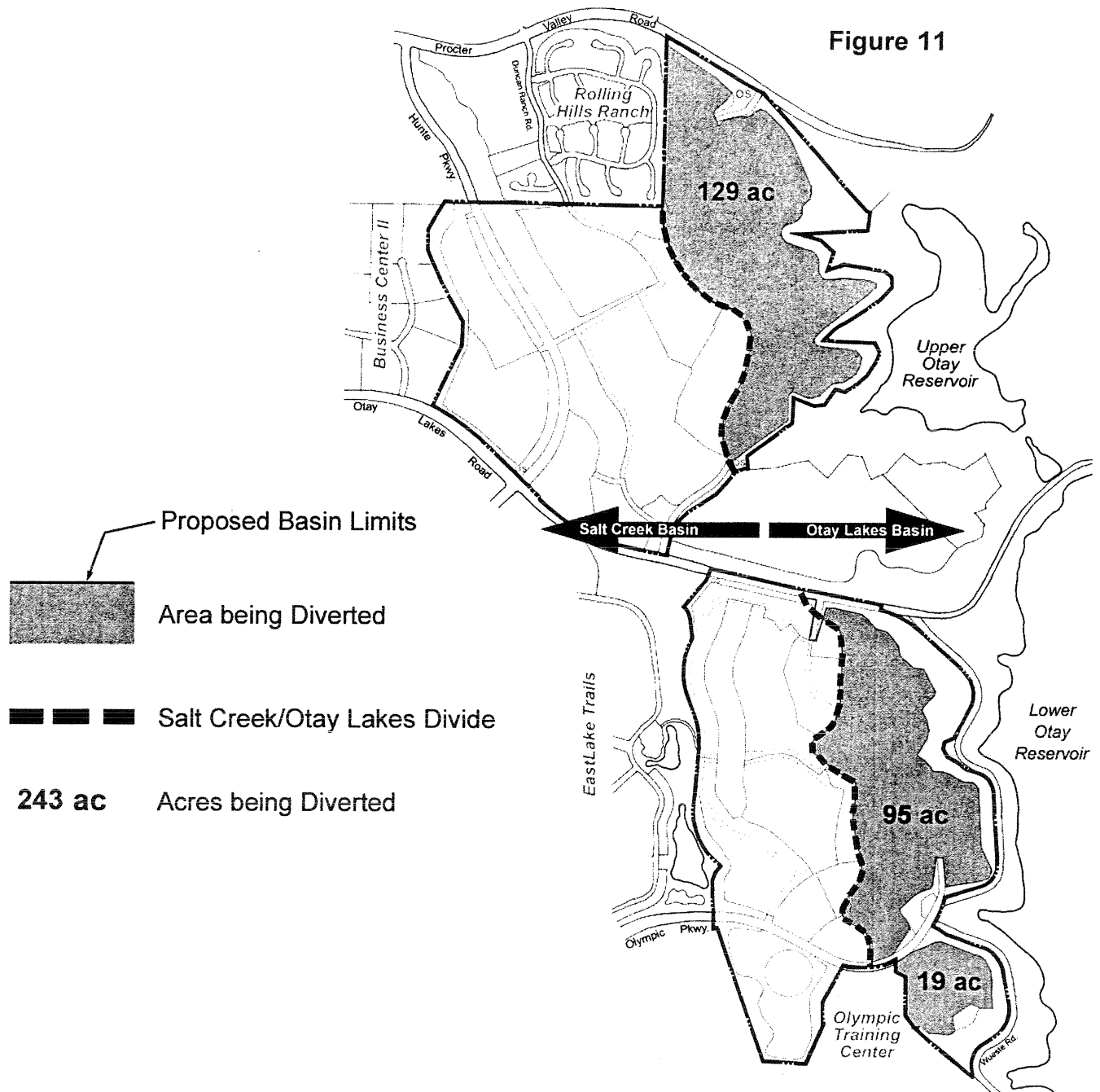
Build-out or post-construction water quality will be maintained by first providing rock rip-rap pads at all canyon outlets to dissipate the energy of the outlet flows to minimize erosion. The second water quality feature will be to utilize the project detention basins not only for detention to offset (detain) post-development peak discharges, but also as desiltation basins where silt can accumulate and be removed. In addition, the basins will be designed to provide extended detention for "first flush" flows, which will further enhance removal of pollutants.

This diversion will be accomplished by gravity and/or mechanical means to convey run-off to Salt Creek.



# Urban Run-off Diversion

Figure 11



Note: Refer to Technical Reports for additional detail on diversion of urban runoff

Source: SB&O, Inc.





#### **4.4.9.6 Financing Drainage Facilities**

##### **Onsite Facilities**

City policy requires that all master planned developments provide for the conveyance of storm waters throughout the project to City engineering standards. As such, Eastlake III will be required to construct those facilities identified in Section 4.4.9.5 through the subdivision exaction process.

In newly developing areas east of I-805, it is the City's policy that development projects assume the burden of funding all maintenance activities associated with drainage channels and detention basins. As such, the City will enter into an agreement with The Eastlake Company whereby maintenance of the channels and detention basins will be assured by one of the following funding methods:

1. A homeowner's association (HOA) that would raise funds through fees paid by each property owner; or
2. A Community Facilities District (CFD) established over the entire project to raise funds through the creation of a special tax for drainage maintenance purposes.

##### **Offsite Facilities**

There are no offsite drainage facilities required of Eastlake III.

#### **4.4.9.7 Threshold Compliance and Recommendations**

Eastlake III shall be responsible for the conveyance of storm water flows in accordance with City Engineering Standards. The City Engineering Division shall review all plans to ensure compliance with such standards.

The two detention basins in the Woods neighborhood shall be constructed in conjunction with the first grading permit for the Woods or Vistas.

Eastlake III shall incorporate urban runoff planning in the Tentative Tract Map.

The City will enter into an agreement with The Eastlake Company whereby maintenance of the channels and detention basins will be assured by one of the following funding methods:

1. A homeowner's association (HOA) that would raise funds through fees paid by each property owner; or
2. A Community Facilities District (CFD) established over the entire project to raise funds through the creation of a special tax for drainage maintenance purposes.



# AIR QUALITY



## **4.4.10 AIR QUALITY**

### **4.4.10.1 Threshold Standard**

The GMOC shall be provided with an annual report which:

1. Provides an overview and evaluation of local government projects approved during the prior year to determine to what extent they implemented measures designed to foster air quality improvement pursuant to relevant regional and local air quality improvement strategies.
2. Identifies whether the City's development regulations, policies, and procedures relate to, and/or are consistent with current applicable federal, state, and regional air quality regulations and programs.
3. Identifies non-development related activities being undertaken by the City toward compliance with relevant federal, state, and local regulations regarding air quality, and whether the City has achieved compliance.

The City shall provide a copy of said report to the San Diego Air Pollution Control District (APCD) for review and comment. In addition, the APCD shall report on overall regional and local air quality conditions, the status of regional air quality improvement implementation efforts under the Regional Air Quality Strategy and related federal and state programs, and the affect of those efforts/programs on the City of Chula Vista and local planning and development activities.

### **4.4.10.2 Service Analysis**

#### **Air Quality Improvement Plan**

An Air Quality Improvement Plan is required for all major development projects (50 dwelling units or greater, or commercial and industrial projects with 50 EDU's of water demand or greater). This plan is required at the Sectional Planning Area (SPA) Plan level, or equivalent for projects that are not processed through a Planned Community Zone.

On November 14, 2000, the City Council adopted the Carbon Dioxide (CO<sub>2</sub>) Reduction Plan, which included implementing measures regarding transportation and energy efficient land use planning and building construction measures for new development. In this Plan, it was recognized that the City's efforts to reduce carbon dioxide emissions from new development are directly related to energy conservation and air quality efforts. As a result, the City is initiating a pilot study effort to develop a program to be implemented in new SPA Plans through updating the guidelines for preparation of required AQIP's. In summary, the pilot study involves the development of a computer model to evaluate the relative effectiveness of applying various site design and energy conservation features in new development projects. The pilot study will analyze the Eastlake III SPA project (and two other pending SPA projects),

and result in the preparation of an AQIP for Eastlake III that will be considered in conjunction with actions on the project's Tentative Subdivision Map.

The Air Pollution Control District is responsible for the Air Quality Maintenance Program in compliance with the California Clean Air Act. There is no local Master Plan for Air Quality.

#### **4.4.10.3 Threshold Compliance and Recommendations**

The City continues to provide a development forecast to the APCD in conformance with the threshold standard. A separate Air Quality Improvement Plan will be provided as part of the SPA Plan and Tentative Map process as noted in Section 4.4.10.2.

# CIVIC CENTER





## **4.4.11 CIVIC CENTER**

### **4.4.11.1 Threshold Standard**

There is no adopted threshold standard for this facility. The facility information is being provided in this report to aid the City in establishing operational benchmarks, which will determine construction phasing of the Civic Center.

### **4.4.11.2 Service Analysis**

Although the existing Civic Center successfully accommodated city administration offices prior to the mid-1980's population growth, increase in City staff to meet new demands of growth has caused increasing congestion problems. Most staff in the Public Services Building experience space shortages, lack of privacy and storage, and frequent noise distractions. This was reported in a survey which is included in the Civic Center Master Plan dated May 8, 1989. Site Alternative Three "The Suburban Scheme" was selected from the master plan at a City Council conference on June 22, 1989.

### **4.4.11.3 Existing Conditions**

#### **Civic Facilities Inventory**

##### **Existing Facilities**

Civic Center .....	111,940 square feet
Previous County Health Center .....	3,120 square feet
Future Public Works Inspection Division.....	1,200 square feet
(off-site) .....	_____
<b>TOTAL.....</b>	<b>116,260 square feet</b>
Parking Lots.....	333 spaces

<u>Future Facilities Cost</u>	<u>Size</u>	<u>Estimated</u>
1. City Hall	25,765sf <sup>18</sup>	2,203,300
2. Public Services Facility	40,615sf <sup>1</sup>	3,023,500
3. New City Hall Annex	28,925sf <sup>1</sup>	3,023,600
4. Legislative Offices	6,000sf <sup>1</sup>	1,330,000
5. Subterranean Parking	126 spaces	1,008,000
6. Parking Structure	359 spaces	2,872,000
7. Demolition	5,920sf	83,600
8. Surface Parking	45,425sf	227,100
9. Misc. Site Improvements	15,000sf	180,000
10. Landscaping	55,000sf	698,500
11. Land Acquisition (459 F Street)	---	---
12. Master Plan	---	65,250
<b>TOTAL (1989 Dollars).....</b>		<b>\$15,459,300</b>

#### 4.4.11.4 Adequacy Analysis

The Master Plan for the Chula Vista Civic Center shows 126,990 square feet of Civic Center facilities are needed to serve the population in 1988. This identifies an existing space deficiency of 15,050 square feet. Since the writing of the Master Plan, the City has acquired the 3,120 square foot County Health building and a 1,200 square foot Public Works office. They are both listed under Existing Facilities. Because of this increase in square footage, the deficiency is reduced to 10,730 square feet.

The need for the Civic Center can not be easily related to population figures or acres of commercial and industrial land which will be developed in the future. The facilities, according to the master plan, are currently inadequate because of the lack of space. This inadequacy will worsen as employee numbers and their workloads increase in response to demands for services, which are generated by new development.

The City is moving ahead to implement Phase #1 of the Civic Center Master Plan by acquiring additional land to the west of the existing Civic Center for the proposed parking garage.

<sup>18</sup> Some of the size figures represent a combination of remodeled existing square footage and newly constructed square footage. The completed civic facilities will total 149,120 square feet with 625 parking spaces.

#### 4.4.11.5 Financing Civic Center Facilities

In January 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for various public facilities within the City of Chula Vista. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit.

The Eastlake III project is within the boundaries of the public facilities DIF program and, therefore, the project will be subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current Civic Center fee rate of \$480 per dwelling unit. The Eastlake III obligation at build-out is \$1,078,512.

<b>Table 36      Eastlake III Public Facilities Fees For Civic Center</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Civic Ctr. Fee @ \$480/EDU</b>
1	1,083.4	\$520,032.00
2	1,010.0	\$484,800.00
3	153.5	\$73,680.00
<b>Total</b>	<b>2,246.9</b>	<b>\$1,078,512.00</b>

Source: MuniFinancial calculations.

#### 4.4.11.6 Threshold Compliance and Recommendations

The Eastlake III SPA shall be conditioned to pay Public Facilities Fees at the rate in effect at the time building permits are issued.



# CORPORATION YARD



## 4.4.12 CORPORATION YARD

### 4.4.12.1 Threshold Standard

There is no adopted threshold standard for this facility. The facility information is being provided in this report to aid the City in establishing operational benchmarks which will determine construction phasing of the corporation yard.

### 4.4.12.2 Service Analysis

The corporation yard is currently operating beyond capacity. New development, with its resultant increase in required maintenance services, creates a need for a larger corporation yard. The new yard may be located east of Interstate 805 because of the availability of centrally located large parcels. A City staff memo dated November 11, 1987 states that 15 acres are needed to accommodate 85,010 square feet of office and storage and 228,000 square feet of parking.

### 4.4.12.3 Existing Conditions

<u>Existing Facilities</u>	<u>Location</u>
Corporation Yard	707 "F" Street

<u>Future Facilities</u>	<u>Cost Estimate</u>
1. Buildings	\$ 4,699,491
2. Outside Storage	1,031,362
3. Parking	543,598
4. Site preparation and grading	4,000,000
5. Site development, utilities, and landscaping	1,181,260
6. Site acquisition	<u>1,995,000</u>
<b>TOTAL (1988 Dollars)</b>	<b>\$ 13,450,711</b>

The 2001 cost for land acquisition and construction is estimated to be \$30 million.

### 4.4.12.4 Adequacy Analysis

The growth in population, increase in street miles and the expansion of developed areas in Chula Vista, requires more equipment for maintenance as well as more space for storage and the administration of increased numbers of employees. The need for a larger Corporation Yard can be specifically related to new development and its effect on all of these subjects.



The existing corporation yard located at "F" Street and Woodlawn Avenue no longer accommodates present demands.

#### **4.4.12.5 Financing Corporation Yard Facilities**

In January, 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for various public facilities within the City of Chula Vista. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit.

The Eastlake III project is within the boundaries of the public facilities DIF program and, therefore, the project will be subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current Corporation Yard fee rate of \$386 per dwelling unit, the Eastlake III obligation at build-out is \$867,303.

<b>Table 37 Eastlake III Public Facilities Fees For Corporation Yard</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Corp. Yard Fee @ \$386/EDU</b>
1	1,083.4	\$418,192.40
2	1,010.0	\$389,860.00
3	153.5	\$59,251.00
<b>Total</b>	<b>2,246.9</b>	<b>\$867,303.40</b>

Source: MuniFinancial calculations.

#### **4.4.11.6 Threshold Compliance and Recommendations**

The Eastlake III SPA shall be conditioned to pay Public Facilities Fees at the rate in effect at the time building permits are issued.

## OTHER PUBLIC FACILITIES



## **4.4.13 OTHER PUBLIC FACILITIES**

### **4.4.13.1 Threshold Standard**

There is no adopted threshold standard for these facilities, which are part of the Public Facilities Development Impact Fee Program and include GIS, Mainframe Computer, Telephone System Upgrade, and Records Management. The information regarding these capital items is being provided in this section of the PFFP to aid the City and the developer in calculating the PFDIF fees to be paid by the Eastlake III project.

### **4.4.13.2 Service Analysis**

The public facilities identified in Section 3.15.1, above, are described in the report entitled *Development Impact Fee for Public Facilities* dated April 20, 1993, known as document number C093-075.

### **4.4.13.3 Existing Conditions**

The City continues to collect funds from building permit issuances in the Eastern Territories for deposit to the accounts associated with these facilities.

### **4.4.13.4 Financing Other Public Facilities**

This information is being provided to aid the City and the developer in calculating the level of funds to be received from the payment of fees associated with this "Other Public Facilities" category.

In January, 1991, the Chula Vista City Council adopted Ordinance No. 2320 establishing a Development Impact Fee to pay for various public facilities within the City of Chula Vista. The facilities are required to support future development within the City and the fee schedule has been adopted in accordance with Government Code Section 66000. The fees were updated by adoption of Ordinance No. 2809A and 2810 on May 23, 2000. The current fee is \$2,618 per equivalent dwelling unit.

The component of the fee attributable to "Other Public Facilities" as described above is \$42 per EDU excluding \$134 per EDU for PFDIF administration at 2%.

The Eastlake III project is within the boundaries of the public facilities DIF program and, therefore, the project will be subject to the payment of the fee at the rate in effect at the time building permits are issued. At the current fee rate, the Eastlake III obligation at build-out is \$94,369.

<b>Table 38      Public Facilities Fees For Other Public Facilities</b>		
<b>Development Phase</b>	<b>EDU's</b>	<b>Other Public Facilities Fee @ \$42/EDU</b>
1	1,083.4	\$45,502.80
2	1,010.0	\$42,420.00
3	153.5	\$6,447.00
<b>Total</b>	<b>2,246.9</b>	<b>\$94,369.80</b>

Source: MuniFinancial calculations.

#### **4.4.13.5 Threshold Compliance and Recommendations**

Other Public Facilities will be funded through the collection of public facility fees at the rate in effect at the time building permits are issued.

# FISCAL ANALYSIS



## **4.4.14 FISCAL ANALYSIS**

### **4.4.14.1 Threshold Standard**

1. The GMOC shall be provided with an annual fiscal impact report which provides an evaluation of the impacts of growth on the City, both in terms of operations and capital improvements. This report should evaluate actual growth over the previous 12-month period, as well as projected growth over the next 12-18 month period, and 3-5 year period.
2. The GMOC shall be provided with an annual "economic monitoring report" which provides an analysis of economic development activity and indicators over the next previous 12-month period, as well as projected growth over the next 12-18 month period, and 3-5 year period.

### **4.4.14.2 Facility Master Plan**

There is no existing Master Plan for fiscal issues. However, an economic base study and a long range fiscal impact study was prepared by P&D Technologies as part of the Chula Vista General Plan.

### **4.4.14.3 Project Processing Requirements**

#### **Sectional Planning Area Plan/Public Facilities Finance Plans**

1. Prepare a phased fiscal/economic report dealing with revenue vs. expenditures including maintenance and operations.

### **4.4.14.4 Fiscal Analysis of Project**

#### **4.4.14.4.1 Introduction**

This analysis identifies the estimated fiscal impact that the Eastlake III Project will have on the operation and maintenance budgets of the City of Chula Vista (general fund). Information pertaining to the scope of development was derived from The Eastlake Company.

Two basic methodologies were utilized in estimating public agency revenues and expenditures; the case study and per unit/acre multiplier methods. The case study method was used to estimate the secured property tax, as well as the transient occupancy tax and sales tax derived for the project's visitor serving and commercial land uses. The case study method is based on specific characteristics of the project from which revenues can be estimated. Appropriate city officials were contacted to identify actual tax rates, fees and costs. The per unit/acre multiplier method, which represents a more general approach was utilized to estimate unsecured property tax, sales tax, TOT, property transfer tax, utility tax, license fees, fines, other revenues and fees and all expenditures. CIC also utilized input from the fiscal impact prepared



for Eastlake Trails, San Miguel Ranch, and Eastlake III. The City of Chula Vista's FY 2000-2001 Budget was utilized to estimate per unit/acre multipliers.

Future revenues and expenditures are presented in current (2000) dollars. Also, revenues and expenditures are depicted annually, reflecting a conservatively projected development absorption schedule based on information provided by the City and the developer. This approach identifies annual project fiscal surpluses and deficits and represents a more realistic approach when compared to assuming instant build-out.

#### **4.4.14.4.2 PROJECT ABSORPTION**

Presented in Table 40 is a description of the product types and projected absorption schedule, both provided by the City and the developer. This schedule includes a 5 year (2002 to 2006) development schedule. For the purpose of this analysis, absorption represents new units being sold (or rented) and occupied.

Housing market values were estimated by the developer and ranged from \$150,000 (multi-family) to \$850,000 (single family - large lots). The values used in the table represent the estimated average unit price for each type of development. Commercial values were estimated using COMPs (Commercial Property Information Services) and previous studies.

#### **4.4.14.4.3 PROJECT DEMOGRAPHICS AND LAND USES**

In developing per unit/acre multipliers, CIC utilized demographic and land use information related to the City of Chula Vista as a whole and, more specifically, the subject Eastlake III Project. Included in Table 41 are population, housing, land-use and infrastructure characteristics. The developer provided the number of housing units and acres by land use for the Eastlake III Project. The Eastlake Company provided the amount of acreage devoted to circulation and an estimate the number of street miles, lane miles, traffic signals and streetlights were estimated based on that acreage.

**Table 39 Eastlake III Project Absorption Schedule And Market Values By Land Use**

Land Use	Per Unit/ Net Acre Value (000's)	Cumulative Developed and Occupied Units/Acres					
		2002	2003	2004	2005	2006	TOTAL
SINGLE FAMILY RESIDENTIAL UNITS							
Low (0 to 3 per Acre)	\$600	90	229	281	510	643	643
Low to Medium (3 to 6 per Acre)	\$290	163	415	486	688	795	795
TOTAL SINGLE FAMILY UNITS		253	644	767	1198	1438	1438
MULTI FAMILY RESIDENTIAL UNITS							
	\$170	69	153	271	411	623	623
RETAIL COMMERCIAL ACRES	\$2,172	0.0	0.0	0.0	0.0	12.0	12.0
TOURIST COMMERCIAL ACRES	\$2,676	0.0	0.0	0.0	0.0	18.7	18.7

Source: The Eastlake Company,  
City of Chula Vista,  
CIC Research, Inc.

**Table 40 Eastlake III Project Fiscal Impact General Assumptions**

Chula Vista		Sources
Population	174,319	CA Dept. of Finance
Occupied Housing Units	56,925	CA Dept. of Finance
Persons Per Household	3.04	CA Dept. of Finance
Street Miles	336	CV Public Works
Lane Miles	778	CV Public Works
Traffic Signals	142	CV Engineering
Street Lights	6,307	CV Engineering
Estimated Avg. HH Income	\$55,992	Claritas, Inc.
Median Housing Price	\$183,000	DataQuick Info.Serv.
Land Uses (Developed Acres)		
Commercial	1,093.46	CV Planning
Industrial	724.62	CV Planning
Residential	6,876.98	CV Planning
Park	339.85	CV Planning
Eastlake III Project		
Estimated Population	6,257	CIC Research, Inc
Housing Units	2,061	The Eastlake Co.
Commercial Retail Acres	12.0	The Eastlake Co
Tourist Commercial Acres	18.7	The Eastlake Co
Open Space Acres	136.8	The Eastlake Co
Public Park Acres	13.5	The Eastlake Co
Street Miles	13.5	The Eastlake Co
Lane Miles	34.2	Estimated
Traffic Signals	4	Estimated
Street lights	189	Estimated
Estimated Avg. HH Income	\$94,000	CIC Research, Inc
Median Housing Price	\$294,000	The Eastlake Co

#### **4.4.14.4.4 REVENUES**

Operating revenues for the City of Chula Vista resulting from the development of the proposed Eastlake III Project are estimated in this section. The major revenue sources which are expected to be generated from the subject developments and detailed in this chapter include property tax (secured and unsecured), property transfer tax, sales tax, franchise fees, TOT, utility tax, license revenue, miscellaneous fines, homeowner's property tax relief, motor vehicle license fees, gas tax and charges for various current services. The City of Chula Vista's Budget (FY 2000/2001) for these revenue items is detailed in Table 42 along with allocation rates. The following section details each of the revenue sources and the methodology employed to estimate revenues from the subject developments. For each identified revenue source, a detailed table reflecting the revenue flow over the project build-out (2002 to 2006) is presented in the Appendix of this report. All dollar figures are presented in 2000 dollars (no inflation rates were used).

**Table 41 Eastlake III - Project Fiscal Impact Revenue Generation Assumptions**

<b>Revenues</b>	<b>City of Chula Vista FY2000/01 Revenues</b>	<b>Allocation Assumption</b>
<b>Property Taxes</b>		
Secured	\$9,787,848	Based on 10.844% of 1% of TAV
Unsecured	450,000	\$245 commercial acre
<b>Other Taxes</b>		
Property Transfer Tax	\$575,000	Annual Avg. \$28 per housing unit/\$85 per commercial acre
Sales & Use Tax	17,702,000	\$326 per housing unit/\$1,200 commercial acre
Franchise Fees	2,285,890	\$33 per housing unit/\$1,544 commercial acre
TOT	1,510,000	\$2 per housing unit/ \$75 per commercial acre
Utility Tax	3,100,000	\$24 per housing unit/\$1,132 commercial acre
<b>Licenses</b>		
Business License	\$750,000	\$598 commercial acre
Animal & Bicycle Licenses	55,000	\$1 per housing unit
<b>Fines</b>		
Library Fines	\$195,470	\$3 per housing unit
Parking Citations	199,880	\$4 per housing unit/\$42 commercial acre
<b>Revenues from other Agencies</b>		
State Homeowners Prop Tax Relief	\$185,000	\$3 per housing unit
Motor Vehicle Licenses	8,798,000	\$154 per housing unit
Gas Tax	2,365,320	\$36 per housing unit, \$188 commercial
<b>Charges for Current Service</b>		
Recreation	477,908	\$8 per housing unit

**Secured Property Tax**

Secured property tax revenues generated from the proposed developments were calculated on the basis of a one-percent tax rate on the current market value of the residential and commercial construction. The subject properties are in tax rate areas 01247, 01215, and 01204. According to the Mr. Pete Redman of the County of San Diego property tax services, the City of Chula Vista's would receive 10.844 percent of the one-percent of the property taxes collected in those tax rate areas. It should be noted that the citywide average share of property tax is roughly 14.7 percent.

As previously mentioned, market values (assessed values) for the residential units were estimated by the developers and reviewed by CIC Research. Market values for commercial uses were estimated using COMPS, Commercial Property Information Services, Inc., as well as previous studies. These identified market values also represent the assessed values. Although assessed values increase two percent per year and readjust after the property resells, this analysis assumes no inflation and all values remain in 2000 dollars. Included in Tables A-2 in the appendix is the cumulative assessed value over the build-out of the developments. Total assessed values for the Eastlake III Project range from \$111.5 million during the first year (2002) to \$792.2 million at build-out (2006).

The City of Chula Vista's share of the collected annual property tax is \$859,900 for the Eastlake III Project (Table A-3) at build-out.

### **Unsecured Property Tax**

Unsecured property, which includes personal property such as equipment, inventory, furniture, etc. is taxed for primarily commercial and industrial businesses. CIC utilized the County Assessor's Office estimate of unsecured tax allocation. The County Assessor estimate 65 percent of the unsecured property tax is associated with commercial development and 25 percent is allocated to industrial development. Using the City's budget figure of \$450,000 (unsecured tax collections-FY 2000/01) and an estimated 1,093 acres of commercial development results in a ratio of \$245 per commercial acre ( $\$450,000 \times .65 \div 1,194$ ) for the City's share of unsecured property tax.

The study portion of Eastlake III Project includes roughly 30.7 acres of commercial uses and would generate an estimated \$8,000 in unsecured annual property tax at build-out (refer to Table A-4).

### **Property Transfer Tax**

Sales of real property in San Diego County are taxed at a rate of \$1.10 per \$1,000 of the sales price. Chula Vista would receive 50 percent of the tax. An analysis conducted by the San Diego Association of Governments (SANDAG) indicates that the average turnover rate for residential property is once every seven years and once every 14 years for nonresidential property. The following formulas, which take both the transfer tax formula and the average turnover rate into account, were utilized to yield average annual per unit property transfer tax.

Single Family Residential	$\frac{\$.55}{\$1,000} \times$	$1/7 =$	.00007857
Commercial/Industrial	$\frac{\$.55}{\$1,000} \times$	$1/14 =$	.00003929

Using these formulas, an estimated annual average property transfer tax can be calculated. The Eastlake III Project would generate \$59,700 (refer to Table A-5) in average, annual property transfer tax at build-out.

### **Sales Tax**

This fiscal impact methodology equates the collection of sales tax to both residential units and because of the unique nature and location of the proposed commercial development, retail and tourist commercial acreage. The City's share of sales tax generated by the residential portion of the study property is based on \$326 per household per year, which is based on 75 percent of the total sales tax collection in the City of Chula Vista, divided by the number of housing units. The sales tax multipliers were adjusted roughly upward 40 percent to reflect the estimated higher household income in the Eastlake III Project versus the overall city average. Household incomes were estimated for the study project using the city's ratio of household income to housing value.

Based on the U.S. Consumer Expenditure Survey, it was assumed that households spend 35 percent of their income on taxable goods and approximately 75 percent of those are assumed to be spent in the City of Chula Vista. Based on an analysis conducted by the City of San Diego's Finance Department and given the study site location and land-use mix, CIC utilized the following tax allocations, 75% for residential, 10% for retail/office and 15% for manufacturing. Given the Eastlake III Project's retail commercial area's proximity to the Olympic Training Center and the tourist commercial acreage, it is more likely that this site would capture a great deal of the sales generated from residents outside of Chula Vista. Additional sales tax (over the 10% allocation for retail uses) is attributed to the commercial retail. This study estimates that conservatively 50 percent of the sales will be to residents outside of Chula Vista. Based on average sales of \$175 per square foot of retail space, a multiplier of \$1,800 per acre of retail commercial was estimated.

Additional taxable retail sales were estimated for the tourist commercial. Based on the location (next to the Olympic Training Center and across from Otay Lake) a destination hotel would be expected to be developed there attracting visitors from outside of Chula Vista. Smith Travel Research reports that approximately 66 percent of hotel revenue is generated from rooms while 27 percent is generated through taxable food and beverage sales. The remaining 7 percent of revenue is generated from meeting space, events, and miscellaneous services. Based on this information, it is estimated that \$2,558 of retail taxes per acre is generated by tourist commercial. Total annual sales tax generated by the Eastlake III Project is estimated at \$862,000 at build-out (refer to Table A-6).

### **Franchise Fees**

The City of Chula Vista receives a franchise tax fee from sales of natural gas, electricity, cable television and trash collection. Using the sale of gas and electricity as a guideline and based on a study prepared by San Diego Gas and Electric (SDG&E), 37 percent of the franchise fees are attributed to residential uses, 36.5 percent to retail/office uses and the remaining 26.5 percent is attributed to industrial uses. Using these guidelines, the City budget, area demographics and land use information results in an estimated \$33 in annual franchise fees per housing unit, and \$1,544 per developed commercial acre. Utilizing these ratios results in a total annual franchise fee of \$115,500 for the Eastlake III Project (see Table A-7) at build-out.

### **Transient Occupancy Tax**

Transient occupancy tax (TOT) is a tax added to the price charged for the use of a hotel or motel room. The majority of the tax is currently associated with new hotel developments. The location of the tourist commercial (adjacent to the Olympic Training Center and across from Otay Lakes) is ideally suited for a destination resort hotel. Base on the acreage available a conservative estimate of a 330 room hotel was the scenario used to develop TOT generated by the tourist commercial. PKF Consulting (formerly Pannel Kerr Foster) reports an average daily room rate of \$176 for this type of room currently in San Diego. Based on historical information, a conservative occupancy rate of 70 percent is estimated. In addition, since this hotel would have an impact on existing hotels, only 80 percent of the occupied room nights were considered to be net new generation by the hotel. The City of Chula Vista has a 10 percent TOT which combined with the previously stated data would generate TOT of \$1,484,000 per year for the tourist commercial. Additional TOT would be generated by the residents and commercial retail enterprises by their use of local hotels/motels. The San Diego Convention and Visitors Bureau estimates that of all visitors who stay in hotels and motels, eight percent are visiting friends and an additional nine- percent are in San Diego on non-convention business. Utilizing the City's 2000/01 budget for TOT of \$2,064,000 and assuming eight percent is generated by residential land uses and nine percent by non-residential uses (assume 50% retail and 50% industrial uses), results in multiplier ratios of roughly \$3 per housing unit and \$77 per commercial acre. Using these ratios and the estimate of TOT generated by the tourist commercial, the City of Chula Vista will receive a total annual TOT tax of \$1,491,000 associated with the Eastlake III Project (refer to Table A-8).

### **Utility Users' Tax**

The City of Chula Vista's FY2000/01 budget for utility taxes is \$3,705,000. These taxes are paid by the residents on gas, electric and telephone services. CIC utilized the same methodology for utility taxes and franchise fees. Using the land use allocation of 37 percent residential uses, 36.5 percent to retail/office uses and 26.5 percent to industrial uses, results in an



estimated \$24 in annual utility tax per housing unit and \$1,132 per developed commercial acre. These ratios result in a total annual utility tax of \$84,300 for the Eastlake III Project (refer to Table A-9) at build-out.

### **Business License Fees**

Business license fees are allocated based on a survey reported by the City of San Diego's Financial Management Department, which indicated that 78 percent of the fees were generated by commercial uses and 22 percent were generated by industrial uses. Using the City of Chula Vista's budget (\$915,200), the above proportions and the number of citywide developed commercial acres, results in a multiplier of \$598 per commercial acre. Using this multiplier, total business license fees attributed to Eastlake III Project are \$18,400 per year at build-out (refer to Table A-10).

### **Miscellaneous Revenues**

CIC grouped numerous revenues into the category of miscellaneous. These revenues include: animal licenses, bicycle licenses, motor vehicle licenses, State homeowners property tax relief, gas tax, library fines, parking citations, swimming pool fees, recreation programs and park reservation fees. With the exception of gas tax and parking citations, all the revenues are assumed to be allocated entirely to residential uses. For these revenues, multipliers were developed by dividing the total revenues by the total number of citywide occupied housing units. Total miscellaneous revenues attributed to Eastlake III Project are \$441,600 per year at build-out (refer to Table A-11). The allocation of gas tax and parking citations was calculated as follows:

### **Gasoline Tax**

Gasoline tax revenue accrues on the basis of a complicated formula utilizing county to state and incorporated to unincorporated portion of population. According to the City of San Diego's "Fiscal Impact of New Development" and the Department of Motor Vehicle's auto registration records, an estimated 50 percent is attributed to residential uses and the remaining 50 percent is allocated based on vehicle registration (75% residential, 19% commercial and 6% industrial).

### **Parking Citations**

Parking violation revenues were allocated by vehicle registration classification as estimated by the Department of Motor Vehicles (75% residential, 19% commercial and 6% industrial).

#### **4.4.14.4.5 OPERATING EXPENDITURES**

Operating expenditures for the City of Chula Vista resulting from development of the Eastlake III Project are outlined in this section. The expenditure categories to be impacted by the subject developments include administration

overhead, planning, police, fire, library, public works and parks and recreation. The City of Chula Vista's operating expenditure budgets for fiscal year 2000/01 and allocation assumptions are presented in Table 43. These expenses are utilized in estimating per unit/acre expenditures for the project. The methodologies used to estimate project expenses are discussed in more detail in the following sections. Similar to the revenue analysis, all figures shown are in current (2000) dollars. The projection of costs in this analysis assumes no significant or predictable changes in the service standards of the City of Chula Vista. Detailed tables reflecting the annual expenditure cash flows are presented in the appendix to this report.

**Table 42 Eastlake III Project Fiscal Impact Cost Allocation Assumptions**

<b>Expenditures</b>	<b>City of Chula Vista FY2000/01 Expenditures</b>	<b>Allocation Assumptions</b>
<b>OVERHEAD FUNCTIONS</b>		
Administration Overhead	\$15,775,747	
City Council	\$508,081	
Boards and Commission	\$10,060	
Community Promotions	\$316,506	
City Attorney	\$1,283,362	
City Clerk	\$535,172	
Admin	\$2,732,103	
Management	\$2,436,549	
Human Resources	\$3,151,693	
Finance	\$2,110,266	
Non-Dept	\$2,691,955	
Public Works	\$2,072,821	
Building Maintenance	\$713,079	
Custodial Maintenance	\$1,121,028	
Communications	\$238,714	
<b>TOTAL OVERHEAD</b>	<b>\$17,848,568</b>	<b>Based on 25.5% of Line Operations</b>
<b>LINE OPERATIONS</b>		
Planning (non current)	\$1,187,606	\$13 per housing unit, \$104 commercial acre
Community Development	\$1,902,411	N/A
Police	\$26,587,483	\$303 per housing unit, \$4,622 commercial acre
Fire	\$8,303,616	\$123 per housing unit, \$1,012 commercial acre
Building and Housing	\$2,768,991	N/A
Library	\$6,429,116	\$75 per housing unit
<b>OPERATIONS</b>		
Public Works	\$7,381,034	
Operations		
Operations Administration	\$631,275	\$9 per housing unit/\$69 commercial acre
Traffic Operations	\$526,180	\$676 per lane mile
Street Maint (1)	\$1,136,493	\$1,461 per lane mile
Overlay Program (CIP)	269,000	\$346 per lane mile
Sidewalk Maint (CIP)	\$140,000	\$417 per street mile
Pavement Rehab (CIP)		
Slurry Seal (2)	\$178,040	\$6,650 per lane mile
Chip Seal (2)	\$178,150	\$11,400 per lane mile

<b>Expenditures</b>	<b>City of Chula Vista FY2000/01 Expenditures</b>	<b>Allocation Assumptions</b>
Street Sweeping	\$356,330	\$458 per lane mile
Street Tree Maint	\$595,657	\$1,773 per street mile
Sanitary Sewer Maint.	\$2,315,870	Self supporting
Wastewater Maint.	\$459,964	Self supporting
Engineering		
Engineering Admin.	\$207,632	\$3 per housing unit/\$23 commercial acre
Design	\$950,138	Self supporting
Advance Planning	\$163,414	Self supporting
Land Development	\$1,048,137	Self supporting
Construction Inspection	\$1,258,745	\$2 per housing unit/\$14 commercial acre (90% self funded)
Traffic Engineering	\$586,957	\$604 per lane mile (20% self funded)
Traffic Signal/Lights Maint.	\$1,166,727	\$3,287 per signal, \$111 per street light
Parks	\$3,012,952	\$8,866 per park acre
Admin-Parks	374,260	
Admin-Open Space	334,552	Provided by lighting/landscape district
Maintenance	2,292,912	
Recreation	\$2,564,298	\$45 per housing unit
Administration	237,124	\$4 per housing unit
Swimming and Sports	868,943	\$15 per housing unit
Senior and Youth Services	303,107	\$5 per housing unit
Recreation Facilities	1,155,124	\$20 per housing unit
Administration	374,260	\$7 per housing unit
C.V. Woman Ctr.	14,002	Self supporting
<b>TOTAL LINE OPERATIONS(3)</b>	<b>\$69,952,145</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$87,800,713</b>	

(1) Estimated at 20% in year 5, 40% in year 6, to 100% in year 9.

(2) Slurry seal will occur after 3 years then every 7 years (residential streets), chip seal after 3 years then every 7 (major streets).

(3) Includes all planning expenses and all public works admin.

### **Government Administration**

The total costs for City administration services projected in FY 2000/01 are \$17,848,568, as shown in Table 43. In order to allocate these overhead expenses to the projects, CIC assumed the City cost for the subject development would incur an overhead rate (25.5%) similar to the City of Chula Vista (city administration overhead ÷ total line operations expenditures). Table A-12 in the appendix shows annual overhead expenditures for the Eastlake III Project (\$426,700) at build-out.

### **Planning (Non-Current)**

Non-current planning costs are allocated based on the City of Chula Vista's land use allocation (79% residential and 13% commercial/office) and the number of housing units in the City and developed commercial acreage. Utilizing these proportions results in multipliers of \$16 per housing unit, \$130 per commercial acre. These multipliers translate into annual planning (non-current) costs of \$37,900 for the Eastlake III Project (refer to Table A-13).

### **Police**

The Chula Vista Police Department will provide police protection for the projects. CIC contacted representatives of the local police department to obtain information on service calls and beat activity attributable to residential, business and industrial land uses. No information was available regarding the nature of local calls and regular beat activity. As a result, CIC utilized City of San Diego's cost allocation by land use from the City of San Diego's "Fiscal Impact Model of New Development".

The San Diego Police Department estimates that calls for service account for roughly 50 percent of their expenditures. They are distributed as follows: 66.6% in or around residential structures, 32.3% in or around commercial structures and 1.1% associated with industrial structures. The other 50 percent of expenditures are attributed to normal "beat" activity, and are allocated in proportion to land use acreage (79% to residential land use and 13% to commercial land use). Averaging the percentages for both service-call activity and "beat" activity yields the following per unit allocations for police service in Chula Vista.

<b>Land Use</b>	<b>Combined Percent of Budget Allocation</b>	<b>Estimated Per Unit Expenditures</b>
Residential	73%	\$339/housing unit
Commercial/Office	23%	\$5,050/acre

The above estimates are based upon a FY 2000/01 police budget of \$26,587,483 and results in annual police costs of \$761,300 for the Eastlake III Project (refer to Table A-14) at build-out.

### **Fire Protection**

As previously mentioned, the Eastlake III Project includes a moderate amount of open space (136.7 acres). Fire protection for the open space will be provided by the Chula Vista Fire Department. According to the Chula Vista Fire Department, the City experiences very few brush fires compared to other service calls. However, the potential for a large brush fire does exist and the City could incur extra costs, which are not covered in the State Master Mutual-Aid Agreement.

The proposed urban uses form the basis for allocating fire costs to the Eastlake III Project. The Chula Vista Fire Department also provided CIC with a breakdown of calls for fire protection service in 1997; residential uses 84.2%, commercial uses 14.3% and industrial uses 1.5%. Based on these allocations for fire protection service, the following per unit costs were developed for the project, which results in annual fire protection costs of \$320,000 for the Eastlake III Project (refer to Table A-15). It should be noted that these costs do not include any expenses for large brush fires.

### **Paramedic Services**

The City of Chula Vista contracts privately with American Medical Response Group to provide paramedic services. Services are charged on a fee for service basis, at no resulting cost to the City. Therefore, the project will not incur any current paramedic expenses and no expense category is shown in the expenditure cash flow analysis for this service. It should be noted that at some future time, the City could be asked to help fund costs associated with a new paramedic unit to handle future eastern growth.

### **Library Services**

For past studies, CIC Research contacted the Chula Vista Library's Director, Mr. David Palmer regarding allocations by land use for new development's impact on library services. He was able to provide CIC with a breakdown of resident versus nonresident patronage. In fiscal year 1996/1997, 37 percent of local library use (three branches) was by nonresidents of the community. Alternatively, 63 percent of library use was by residents. Since the library is primarily a local resource used by residents as opposed to businesses, the entire budget is allocated to residential uses.

In the FY 2000/01 proposed budget, total library costs are estimated at \$6,429,116, which yields a cost multiplier of \$113 per housing unit. Total annual library costs associated with the Eastlake III Project are \$233,000 (refer to Table A-16) at build-out.

### **Public Works**

The Public Works Department has a proposed FY 2000/01 budget of \$17,530,000 (this figure excludes some overhead costs, which were included in overhead functions). The Public Works Department is divided into operations and engineering. Mr. David Byers (Deputy Director of Public Works/Operations) assisted CIC in allocating operation costs for a previous study. Building maintenance, custodial maintenance and communications were included in City overhead functions. Operations' administration costs were allocated based on developed acreage proportions and housing units. The other operation costs were allocated on a per street or lane mile basis. As presented in Table 41, the City of Chula Vista includes 321 street miles and 778 lane miles. Eastlake III Project is estimated to include 11.7 street miles and 29.5 lane miles at build-out. Approximately 33 percent of the lane

miles would be on major roads while the remainder would be residential. Per Mr. Byers' suggestion, CIC included three expenditure categories (Overlay Program, Sidewalk Maint. and Pavement Rehab.) which represent operating costs, but were included in CIP programs. Pavement rehabilitation costs were based on \$.07 per square foot for slurry seal and \$.12 per square foot for chip seal and allocated to the lane miles in the proposed projects. All of the operation costs begin in year one with the exception of street maintenance (begins in year 5 at 20% and adds 20% each year to year 9), slurry seal and chip seal (begin in year 3 and then every 7 years). Slurry seal costs were allocated to residential streets and chip seal costs were applied to the heavy traffic, major streets. The following Table 44 details the results of the above allocations.

**Table 43 City Of Chula Vista Public Works Cost Per Unit/Acre/Mile**

		Allocation
<b>Operations</b>		
Administration	\$ 631,275	\$9 per housing unit/\$69 commercial acre
Traffic Operations	526,180	\$676 per lane mile
Street Maintenance	1,136,493	\$1,461 per lane mile (1)
Overlay Program (CIP)	269,000	\$346 per lane mile
Sidewalk Maint. (CIP)	140,000	\$417 per street mile
Pavement Rehab (CIP)		
Slurry Seal	178,040	\$6,650 per lane mile (2)
Chip Seal	178,150	\$11,400 per lane mile (3)
Street Sweeping	356,330	\$458 per lane mile
Street Tree Maintenance	595,657	\$1,773 per street mile
Wastewater Maintenance	2,315,870	Self supporting
Wastewater Life Station Maint.	459,964	Self supporting
<b>Engineering</b>		
Engineering Admin.	\$ 207,632	\$3 per housing unit/\$23 commercial acre
Design	950,138	CIP Program Funded
Advanced Planning	163,414	Self supporting
Land Development	1,048,137	Self supporting
Construction Inspect.	1,258,745	\$2 per housing unit/\$14 commercial acre (90% self supporting)
Traffic Engineering	586,957	\$604 per lane mile (20% self supporting)
Traffic Signal Maint.		
Signal costs	466,691	\$3,287 per signal
Street light costs	700,036	\$111 per street light
Transit Service Operations	186,808	Self supporting

1) Begins in year 5 at 20%, 40% in year 6 to 100% in year 9.

2) Start after year 3 and then every 7 years (residential streets).

3) Start after year 3 and then every 7 years (major streets).

Mr. Cliff Swanson (Deputy Director of Public Works/City Engineering) assisted CIC in allocating public works engineering costs for a previous study. Numerous engineering costs are entirely or partially self funded with fees. The entire engineering administration and a portion of construction inspection and GIS costs were allocated based on citywide land-use acres and housing units. Traffic signal and street light operations and maintenance costs were allocated based on the number of citywide signals and street lights (145 signals and 5,940 street lights) and estimated project signals and lights (4 signals and 162 street lights). The estimated numbers of streetlights in the projects were calculated based on the city standard of one light per 350 feet. The above Table 44 details engineering cost allocations.

Using the identified ratios and multipliers result in a total annual public works cost of \$92,200 for the Eastlake III Project at build-out (refer to Table A-17). Because of the length of the presented building schedule, these figures include average annual (15 year) estimates for street maintenance, slurry seal and chip seal costs, which occur infrequently or are phased in, as is the case with street maintenance. Because these street maintenance costs will occur infrequently or possibly delayed depending on conditions, the public works cost will be less in some years and more in other years.

### **Parks and Recreation Services**

The City of Chula Vista's FY 2000/01 proposed park and recreation budget is \$5,644,290. CIC Research contacted Mr. Jerry Foncerrada, Deputy Director of Parks with the Public Works Department, Operations Division, for a previous study. He indicated that close to 100 percent of the department's expenditures go towards the local residential community. The public works department handles the maintenance of city parks and provided park maintenance costs of \$8,866 per public park acre. CIC allocated the park cost on a per acre (340 citywide and 15.2 acres for the Eastlake III Project) and recreation costs on a per housing unit basis.

Annual park maintenance costs allocated to the Eastlake III Project are estimated at \$119,700 at build-out ( $\$8,866 \times 15.2$ ). The costs for recreation services total \$45 per housing unit. Using this multiplier, results in costs of \$93,000 for the Eastlake III Project (refer to Table A-18). The following table details the cost allocation for Parks and Recreation.



	<u>2000/01 Budget</u>	<u>Cost Allocation Unit/Acre</u>
Parks	\$3,012,952	\$8,866 per park acre
Administration-Parks	385,488	
Administration-Open Space	334,552	Provided by lighting & landscape district
Maintenance	2,292,912	
General	2,147,445	
Marina Park	271,425	Not applicable
Recreation	\$2,564,298	\$45 per housing unit
Administration	237,124	\$4 per housing unit
Swimming & Sports	868,943	\$15 per housing unit
Senior and Youth Services	303,107	\$5 per housing unit
Recreation Facilities	1,155,124	\$20 per housing unit

### **NET FISCAL IMPACT**

Utilizing the previously mentioned methodologies, estimated net fiscal impacts are presented in Table 45. As previously mentioned, all values are in 2000 dollars. No annual adjustments to revenues or costs were utilized. The estimated annual flows of costs and revenues are primarily related to the estimated project absorption and street maintenance schedules.

Table 45 presents the results of the fiscal impact associated with the Eastlake III Project. Fiscal revenues range from \$319,000 in the first year of development (2002) to \$3,939,800 at build-out (2006). Fiscal expenditures range from \$282,400 in year one to \$2,079,900 at build-out. The net fiscal impact from developing the Eastlake III Project is positive in year one (\$36,500) and remains positive through project build-out (\$1,859,900). The large positive impact is due mainly to the TOT collected by the tourist commercial center and the retail sector.

The Eastlake III Project consists of a typical mixed land-use plan including single family homes, multi-family homes, neighborhood shopping center, parks and school. The homes range from \$150,000 for a multi-family unit to \$850,000 for a single family home on a large lot. However, the median housing price and associated estimated household income for the Eastlake III Project are significantly higher than the overall city. The Eastlake III Project is expected to generate higher than average per unit property and sales taxes. Other revenues are expected to be at or above City averages. In terms of expenditures, this project is not expected to incur any unusual or higher than average costs for City services.

**Table 44 Net Fiscal Impact Of The Eastlake III Project On The City Of Chula Vista**

Revenue Sources	Revenues (In Thousands)				
	2002	2003	2004	2005	2006
Secured Property Tax	\$120.5	\$302.8	\$380.4	\$624.6	\$859.9
Unsecured Property Tax	\$0.0	\$0.0	\$0.0	\$0.0	\$7.5
Property Transfer Tax	\$8.7	\$21.9	\$27.6	\$45.3	\$59.7
Sales & Use Tax	\$103.7	\$256.9	\$334.8	\$523.9	\$862.0
Franchise Tax	\$10.5	\$26.0	\$33.9	\$53.0	\$115.5
TOT Tax	\$1.0	\$2.4	\$3.1	\$4.8	\$1,491.0
Utility Tax	\$7.6	\$18.9	\$24.6	\$38.6	\$84.3
Business License	\$0.0	\$0.0	\$0.0	\$0.0	\$18.4
Miscellaneous Revenues	\$66.9	\$165.9	\$216.2	\$338.3	\$441.6
<b>TOTAL REVENUES</b>	<b>\$319.0</b>	<b>\$794.8</b>	<b>\$1,020.6</b>	<b>\$1,628.4</b>	<b>\$3,939.8</b>

Expenditure Sources	Expenditures (In Thousands)				
	2002	2003	2004	2005	2006
Government Admin.	\$57.4	\$141.9	\$199.6	\$312.3	\$422.8
Planning	\$5.2	\$12.9	\$16.9	\$26.4	\$37.9
Police	\$108.0	\$267.5	\$348.6	\$545.5	\$761.3
Fire	\$46.4	\$114.9	\$149.8	\$234.4	\$320.0
Library	\$35.9	\$89.0	\$116.0	\$181.5	\$233.1
Public Works	\$15.2	\$36.4	\$45.4	\$70.6	\$92.2
Park and Recreation	\$14.3	\$35.5	\$105.7	\$165.5	\$212.7
<b>TOTAL EXPENDITURES</b>	<b>\$282.4</b>	<b>\$698.3</b>	<b>\$982.0</b>	<b>\$1,536.2</b>	<b>\$2,079.9</b>

	2002	2003	2004	2005	2006
TOTAL REVENUES	\$319.0	\$794.8	\$1,020.6	\$1,628.4	\$3,939.8
TOTAL EXPENDITURES	\$282.4	\$698.3	\$982.0	\$1,536.2	\$2,079.9
<b>NET FISCAL IMPACT</b>	<b>\$36.5</b>	<b>\$96.6</b>	<b>\$38.6</b>	<b>\$92.2</b>	<b>\$1,859.9</b>



# **PUBLIC FACILITY FINANCE**



## **4.5 PUBLIC FACILITY FINANCE**

### **4.5.1 Overview**

The City will ensure the appropriate public facilities financing mechanisms are utilized to fund the acquisition, construction and maintenance of public facilities required to support the planned development of the Eastlake III project in compliance with the City's Growth Management Program.

Public facilities are generally provided or financed in one of the following three ways:

- |    |                        |   |
|----|------------------------|---|
| 1. | Subdivision Exaction   | Developer constructed and financed as a condition of project approval.  |
| 2. | Development Impact Fee | Funded through the collection of an impact fee. Constructed by the public agency or developer constructed with a reimbursement or credit against specific fees. |
| 3. | Debt Financing         | Funded using one of several debt finance mechanisms. Constructed by the public agency or developer.   |

It is anticipated that all three methods will be utilized for the Eastlake III project to construct and finance public facilities.

### **4.5.2 Subdivision Exactions**

Neighborhood level public improvements will be developed simultaneously with related residential and nonresidential subdivisions. Through the use of the Subdivision Map Act, it is the responsibility of the developer to provide for all local street, utility and recreation improvements. The use of subdivision conditions and exactions, where appropriate, will insure that the construction of neighborhood facilities is timed with actual development.

The imposition of subdivision conditions and exactions does not preclude the use of other public facilities financing mechanisms to finance the public improvement, when appropriate.

#### 4.5.3 Development Impact Fee Programs

Development Impact Fees are imposed by various governmental agencies, consist with State law, to contribute to the financing of capital facilities improvements within the City of Chula Vista. The distinguishing factor between a fee and a subdivision exaction is that exactions are requested of a specific developer for a specific project whereas fees are levied on all development projects throughout the City or benefit area pursuant to an established formula and in compliance with State law.

Eastlake III, through policy decisions of the City of Chula Vista and other governing agencies, is subject to fees established to help defray the cost of facilities which will benefit Eastlake III and areas beyond this specific project. These fees may include but not be limited to:

1. *Eastern Chula Vista Transportation Impact Fee* - Street DIF established to provide financing for circulation element road projects of regional significance in the area east of Interstate 805.
2. *Interim Pre-SR 125 Transportation Fee* - Effective January 1, 1995, to fund interim improvements within the SR 125 right-of way consistent with the pre SR 125 strategy as identified in the *Interim State Route 125 Facility Feasibility Study* dated May 1993.
3. *Public Facilities Development Impact Fee* - Public Facilities DIF established to collect funds for Civic Center Facilities, Police Facility Remodeling, Corporation Yard Relocation, Libraries, Fire Suppression System, Geographical Information System, Mainframe Computer, Telephone System Upgrade and a Records Management System.
4. *Park Acquisition and Development Fee* - PAD Fee established to pay for the acquisition and development of park facilities.
5. *Traffic Signal Fee* - to pay for traffic signals associated with circulation element streets.
6. *Telegraph Canyon Drainage Basin Fee* - to pay for constructing drainage channel improvements within the Telegraph Canyon Drainage Basin.
7. *Telegraph Canyon Sewer Basin Fee* - to pay for sewer basin improvements necessitated by future development in the basin as identified in the *Telegraph Canyon Sewer Basin Improvement and Financing Plan* dated July 31, 1992.
8. *Telegraph Canyon Sewer Basin Pumping Fee* - to pay for out-of-basin flows needing to be pumped into the Telegraph Canyon basin as described in the *Telegraph Canyon Sewer Basin Improvement and Financing Plan Amendment Incorporating Pumped Flows* dated June 9, 1993.

9. *Salt Creek Sewer Basin Development Impact Fee* - to pay for constructing sewer improvements within the Salt Creek basin.
10. *Poggi Canyon Sewer Basin Development Impact Fee* - to pay for constructing sewer improvements within the Poggi Canyon basin.
11. *State Mandated School Impact Fees* - payable to the Chula Vista City School District and Sweetwater Union High School District. It should be noted that both school districts generally require development projects to annex into existing Mello Roos Community Facilities Districts in lieu of paying State mandated school fees.
12. *Otay Water District Fees* - It should be noted that the Water District may require the formation of or annexation to an existing improvement district or creation of some other finance mechanism which may result in specific fees being waived.

#### **4.5.4 Debt Finance Programs**

The City of Chula Vista has used assessment districts and Mello-Roos Community Facilities Districts to finance a number of street improvements, as well as sewer and drainage facilities. Both school districts have implemented CFD's to finance school facilities.

##### **Assessment Districts**

Special assessment districts may be proposed for the purpose of acquiring, constructing, maintaining certain public improvements under the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915, the Benefit Assessment Act of 1982, and the Lighting and Landscape Act of 1972. The general administration of the special assessment district is the responsibility of the public agency.

Special assessment financing may be appropriate when the value or benefit of the public facility can be assigned to a specific property. Assessments are levied in specific amounts against each individual property on the basis of relative benefit. Special assessments may be used for both publicly dedicated on-site and off-site improvements and maintenance.

##### **Mello-Roos Community Facilities Act of 1982**

The Mello-Roos Community Facilities Act of 1982 authorizes formation of community facilities districts that impose special taxes to provide the financing the construction and/or maintenance of certain public facilities or services. Facilities that can be provided under the Mello-Roos Act include the purchase, construction, expansion, or rehabilitation of the following:

1. Local park, recreation, or parkway facilities;



2. Elementary and secondary school sites and structures;
3. Libraries;
4. Any other governmental facilities that legislative bodies are authorized to construct, own or operate including certain improvements to private property.

As a matter of policy, the City limits the type of improvements that can be financed by debt financing district bonding in residential projects. Such improvements are generally limited to collector streets and larger serving entire neighborhood areas or larger. This policy applies to backbone infrastructure including streets, water, sewer, storm drain, and dry utility systems.

#### **4.5.5 Other Methods Used to Finance Facilities**

##### **General Fund**

The City of Chula Vista's general fund serves to pay for many public services throughout the City. Those facilities and services identified as being funded by general fund sources represent those that will benefit not only the residents of the proposed project, but also Chula Vista residents throughout the City. In most cases, other financing mechanisms are available to initially construct or provide the facility or service, then general fund monies would only be expected to fund the maintenance costs once the facility is accepted by the City.

##### **State and Federal Funding**

Although rarely available to fund an entire project, Federal and State financial and technical assistance programs have been available to public agencies, in particular the public school districts.

The City was awarded a \$6 million State Grant to construct the Montgomery/Otay Library.

##### **Dedications**

Dedication of sites by developers for public capital facilities is a common financing tool used by many cities. In the case of Eastlake III, the following public sites are proposed to be dedicated:

1. Roads (if public)
2. Park sites
3. Open space and public trail systems

### **Homeowners Associations**

One or more Community Homeowner Associations may be established by the developer to manage, operate and maintain private facilities and common areas within Eastlake III.

### **Developer Reimbursement Agreements**

Certain facilities that are off-site of Eastlake III and/or provide regional benefits may be constructed in conjunction with the development of Eastlake III. In such instances, developer reimbursement agreements will be executed to provide for a future payback to the developer for the additional cost of these facilities. Future developments are required to pay back their fair share of the costs for the shared facility when development occurs.

### **Special Agreements/Development Agreement**

This category includes special development programs for financing construction of Telegraph Canyon Road and State Route 125. It also includes any other special arrangements between the City and the developer such as credits against fees, waiver of fees, or charges for the construction of specific facilities.

A development agreement can play an essential role in the implementation of the Public Facilities Financing Plan. The Public Facilities Financing Plan clearly details all public facility responsibilities and assures that the construction of all necessary public improvements will be appropriately phased with actual development, while the development agreement identifies the obligations and requirements of both parties.

#### **4.5.6 Public Facility Finance Policies**

The following finance policies were included and approved with the Growth Management Program to maintain a financial management system that will be implemented consistently when considering future development applications. These policies will enable the City to effectively manage its fiscal resources in response to the demands placed on the City by future growth.

1. Prior to receiving final approval, developers shall demonstrate and guarantee that compliance is maintained with the City's adopted threshold standards.
2. The Capital Improvement Program Budget will be consistent with the goals and objectives of the Growth Management Program. The Capital Improvement Program Budget establishes the timing for funding of all fee related public improvements.
3. The priority and timing of public facility improvements identified in the various City fee programs shall be made at the sole discretion of the City Council.

4. Priority for funding from the City's various fee programs shall be given to those projects which facilitate the logical extension or provision of public facilities as defined in the Growth Management Program.
5. Fee credits, reimbursement agreements, developer agreements or public financing mechanisms shall be considered only when it is in the public interest to use them or these financing methods are needed to rectify an existing facility threshold deficiency. Such action shall not induce growth by prematurely extending or upgrading public facilities.
6. All fee credit arrangements or reimbursement agreements will be made based upon the City's plans for the timing and funding of public facilities contained in the Capital Improvement Program Budget.
7. Public facility improvements made ahead of the City's plans to construct the facilities will result in the need for additional operating and maintenance funds. Therefore, all such costs associated with the facility construction shall become the responsibility of the developer until such time as the City had previously planned the facility improvement to be made.

#### **4.5.7 Cumulative Debt**

The City of Chula Vista has an established policy limiting the maximum debt to be placed on a residential dwelling unit to an additional one percent above the property tax. This policy was restated in the adopted Growth Management Program.

Like many other cities, Chula Vista has long understood that it is not the only agency which can utilize public finance mechanisms and, therefore, can not always guarantee that the total debt will remain at or below a maximum of 2 percent. As a result, the City makes an effort to coordinate its debt finance programs with the other special districts (schools and water) which provide service to the residents of Chula Vista to ensure that the cumulative debt does not become excessive. Coordination is also necessary to guarantee all public facilities needed to support a development can be financed and constructed as needed.

Debt capacity is found by totaling the assessed value of residential and commercial/industrial property and applying to this total two percent rate cap established by City policy as can be seen in Table 46. Subtracting from this total assessed value the value of taxes resulting from application of the effective property tax rate as determined by the County Tax Collector (1.12%), produces the revenue available from indebtedness that could be placed on the property.

Table 46 identifies \$17,612,000 as the estimated cost of road facilities that may qualify for debt financing. This amount is less than any of the alternative interest cost and bond term examples identified on the following page. Using the alternative of 6.5% net interest cost (NIC) and 25-year bond term applied

to a conservative \$3 million in available annual debt service allows for the financing of approximately \$39 million in eligible improvements. This results in an excess bonding capacity of approximately \$25 million, some of which will be utilized by school financing. Therefore, there appears to be sufficient revenue capacity available to finance the improvements listed, although additional analysis will be required at the time of the first utilization of debt financing in the SPA.

The Public Works Department generally requires the preparation of a debt financing district feasibility plan for the build-out of a master planned community prior to initiation of the first district in order to determine the debt capacity limits and benefit zones related to using public financing to fund infrastructure improvements.

<b>Table 45      Estimated Revenue Available for Debt Service on Land Secured Financings</b>		
<b>DU's or Acres</b>	<b>Assessed Value/Unit or Acre (from Table 39)</b>	<b>Total AV</b>
<b>Eastlake III</b>		
650 DU (low density)	\$600,000	\$390,000,000.00
870 DU (low-med density)	\$290,000	\$252,300,000.00
539 DU (multi-family)	\$170,000	\$91,630,000.00
12.2 AC (retail commercial)	\$2,172,000	\$26,498,400.00
18.4 AC (tourist commercial)	\$2,676,000	\$49,238,400.00
<b>TOTAL ASSESSED VALUE</b>		<b>\$809,666,800.00</b>
2.0% Tax Rate Cap By City Policy		\$16,193,336.00
1.12% Tax Rate Utilized		\$9,068,268.16
<b>ANNUAL REVENUE AVAILABLE TO PAY DEBT SERVICE @ 2.00% - 1.12%</b>		<b>\$7,125,067.84</b>

Using \$6 million as a conservative amount available for annual debt service and varying the net interest cost (NIC) and term of bond, the following public facility costs could be funded through a financing vehicle such as Mello-Roos and special assessment districts bonds.

A 5.5% (NIC) and 30 year term will fund approximately \$87.1 million.

A 6.5% (NIC) and 25 year term will fund approximately \$73.1 million.

A 6.5% (NIC) and 20 year term will fund approximately \$66.1 million.

A 7.5% (NIC) and 25 year term will fund approximately \$66.8 million.

A 7.5% (NIC) and 20 year term will fund approximately \$61.1 million.

It appears there is more than adequate debt service coverage available from the project should public debt financing be utilized for some or all road projects.

<b>Table 46      Estimate of Facilities Cost Potentially Funded from Debt Service</b>		
<b>Facility</b>	<b>Segment</b>	<b>Cost</b>
<b>Eastlake III</b>		
Construct Olympic Parkway	Six lanes between SR 125 and Hunte Parkway	\$10,120,000
Construct Proctor Valley Road	Four lanes along northerly frontage of the project	\$1,665,000
Widen Otoy Lakes Road	Six lanes between East H Street and Telegraph Canyon Road	\$1,694,000
Construct Otoy Lakes Road	Six lanes between Hunte Parkway and the Vistas entrance	\$3,238,000
Construct Otoy Lakes Road	Six lanes between Vistas entrance and Wueste Road	\$895,000
<b>TOTAL EASTLAKE III ROAD IMPROVEMENTS</b>		<b>\$17,612,000</b>

#### **4.5.8      Lifecycle Cost**

Section 19.09.060 Analysis subsection F(2) of the Growth Management Ordinance requires the following:

"The inventory shall include Life Cycle Cost ("LCC") projections for each element in 19.09.060(E) as they pertain to City fiscal responsibility. The LCC projections shall be for estimated life cycle for each element analyzed. The model used shall be able to identify and estimate initial and recurring life cycle costs for the elements"

##### **Background**

The following material presents information on the general aspects of life cycle cost analysis as well as its specific application to the City of Chula Vista operations. The discussion regarding the general benefits and process of LCC is meant to provide a common base of understanding upon which further analysis can take place.

Life cycle costing (LCC) is a method of calculating the total cost of asset ownership over the life span of the asset. Initial costs and all subsequent expected costs of significance are included in the life cycle cost analysis as well as disposal value and any other quantifiable benefits to be derived as a result of owning the asset. Operating and maintenance costs over the life of an asset often times far exceed initial costs and must be factored into the (decision) process.

Life cycle cost analysis should not be used in each and every purchase of an asset. The process itself carries a cost and therefore can add to the cost of the asset. Life Cycle Cost analysis can be justified only in those cases in

which the cost of the analysis can be more than offset by the savings derived through the purchase of the asset.

Four major factors which may influence the economic feasibility of applying LCC analysis are:

1. Energy Intensiveness - LCC should be considered when the anticipated energy costs of the purchase are expected to be large throughout its life.
2. Life Expectancy - For assets with long lives (i.e., greater than five years), costs other than purchase price take on added importance. For assets with short lives, the initial costs become a more important factor.
3. Efficiency - The efficiency of operation and maintenance can have significant impact on overall costs. LCC is beneficial when savings can be achieved through reduction of maintenance costs.
4. Investment Cost - As a general rule, the larger the investment the more important LCC analysis becomes.

The four major factors listed above are not, however, necessary ingredients for life cycle cost analysis. A quick test to determine whether life cycle costing would apply to a purchase is to ask whether there are any post-purchase costs associated with it. Life cycle costs are a combination of initial and post-purchase costs.

### **Applications for LCC Analysis**

The City of Chula Vista utilizes the concepts of life cycle cost analysis in determining the most cost effective purchase of capital equipment as well as in the determination of replacement costs for a variety of rolling stock. City staff uses LCC techniques in the preparation of the City's Five Year Capital Improvement Budget (CIP) as well as in the Capital Outlay sections of the annual Operating Budget.

In addition to these existing processes, the City should require the use of LCC analysis prior to or concurrent with the design of public facilities required by new development. Such a requirement will assist in the determination of the most cost effective selection of public facilities.



# **Appendix A**





EASTLAKE III LOCAL III ACT

Table A-1  
ABSORPTION SCHEDULE BY LAND USE

Land Use	Per Unit/ Net Acre Value (000's)	Cumulative Developed and Occupied Units/Net Acres					TOTAL
		2002	2003	2004	2005	2006	
SINGLE FAMILY RESIDENTIAL UNITS							
Low (0 to 3 per Acre)	\$600	90	229	281	510	643	643
Low to Medium (3 to 6 per Acre)	\$290	163	415	486	688	795	795
<b>TOTAL SINGLE FAMILY UNITS</b>		<b>253</b>	<b>644</b>	<b>767</b>	<b>1198</b>	<b>1438</b>	<b>1438</b>
 MULTI FAMILY RESIDENTIAL UNITS	 \$170	 69	 153	 271	 411	 623	 623
 <b>TOTAL MULTIFAMILY UNITS</b>		 <b>69</b>	 <b>153</b>	 <b>271</b>	 <b>411</b>	 <b>623</b>	 <b>623</b>
 RETAIL COMMERCIAL ACRES	 \$2,172	 0.0	 0.0	 0.0	 0.0	 12.0	 12.0
TOURIST COMMERCIAL ACRES	\$2,676	0.0	0.0	0.0	0.0	18.7	18.7

Table A-2  
ASSESSED VALUE

Land Use	Per Unit/ Net Acre Value (000's)	Cumulative Assessed Value(000's)				
		2002	2003	2004	2005	2006
SINGLE FAMILY RESIDENTIAL UNITS						
Low (0 to 3 per Acre)	\$600	\$ 54,000	\$ 137,400	\$ 168,600	\$ 306,000	\$ 385,800
Low to Medium (3 to 6 per Acre)	\$290	\$ 47,270	\$ 120,350	\$ 140,940	\$ 199,520	\$ 230,550
<b>TOTAL SINGLE FAMILY UNITS</b>		<b>\$ 101,270</b>	<b>\$ 257,750</b>	<b>\$ 309,540</b>	<b>\$ 505,520</b>	<b>\$ 616,350</b>
 MULTI FAMILY RESIDENTIAL UNITS						
Medium (6 to 11 per acre)	\$170	\$ 11,730	\$ 26,010	\$ 46,070	\$ 69,870	\$ 105,910
<b>TOTAL MULTIFAMILY UNITS</b>		<b>\$ 11,730</b>	<b>\$ 26,010</b>	<b>\$ 46,070</b>	<b>\$ 69,870</b>	<b>\$ 105,910</b>
 RETAIL COMMERCIAL ACRES	 \$2,172	 \$ -	 \$ -	 \$ -	 \$ -	 \$ 26,064
TOURIST COMMERCIAL ACRES	\$2,676	\$ -	\$ -	\$ -	\$ -	\$ 40,616

Table A-3  
SECURED PROPERTY TAX REVENUES

SECURED PROPERTY TAX REVENUES	Secured Property Tax Revenue (000s)				
	2002	2003	2004	2005	2006
<b>TOTAL EASTLAKE III</b>					
Total Assessed Values	\$ 113,000	\$ 283,760	\$ 355,610	\$ 575,390	\$ 788,940
Tax Rate 1.0%	\$1,130	\$2,838	\$3,556	\$5,754	\$7,889
<b>TOTAL CHULA VISTA SHARE*</b>	<b>10.844%</b>	<b>\$122.5</b>	<b>\$307.7</b>	<b>\$385.6</b>	<b>\$624.0</b>
				<b>\$624.0</b>	<b>\$855.5</b>

Table A-4  
UNSECURED PROPERTY TAX REVENUE

UNSECURED PROPERTY TAX	Tax Per Acre	Unsecured Property Tax Revenue (000's)			
		2002	2003	2004	2005
Commercial Uses	\$245.0	\$0	\$0	\$0	\$0
<b>TOTAL EASTLAKE III</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8</b>

\* Derived from discussions with the County Assessors Office and the City of Chula Vista (According to the County of San Diego, Tax Services, 10.844% of the 1% would go to Chula Vista)

Table A-5  
ESTIMATED PROPERTY TRANSFER TAX REVENUES

Single Family Resale Ratio  
Commercial Resale Ratio

0.00007857  
0.00003929

Product	Resale Rate (Years)	Property Transfer Tax (000s)				
		2002	2003	2004	2005	2006
Total Single Family Units	7	\$8.0	\$20.3	\$24.3	\$39.7	\$48.4
Total Multi Family Units	7	\$0.9	\$2.0	\$3.6	\$5.5	\$8.3
Total All Commercial Acres	14	\$0.0	\$0.0	\$0.0	\$0.0	\$2.6
<b>TOTAL EASTLAKE III</b>		<b>\$8.9</b>	<b>\$22.3</b>	<b>\$27.9</b>	<b>\$45.2</b>	<b>\$59.4</b>

Table A-6  
ESTIMATED SALES TAX REVENUES

2000/2001 Budget  
For Sales Tax

\$17,702,000

Land Use	Sales Tax Per Unit/Acre (000s)	City of Chula Vista's Share of Sales Tax (000s)				
		2002	2003	2004	2005	2006
Total Single Family Units	\$0.326	\$82.5	\$209.9	\$250.0	\$390.5	\$468.8
Total Multi Family Units	\$0.326	\$22.5	\$49.9	\$88.3	\$134.0	\$203.1
Total Retail Commercial Acres	\$11.773	\$0.0	\$0.0	\$0.0	\$0.0	\$141.3
Total Tourist Commercial Acres	\$2.558	\$0.0	\$0.0	\$0.0	\$0.0	\$47.8
<b>TOTAL EASTLAKE III</b>		<b>\$105.0</b>	<b>\$259.8</b>	<b>\$338.4</b>	<b>\$524.5</b>	<b>\$861.0</b>

Table A-7  
ESTIMATED FRANCHISE FEES

2000/2001 Budget  
For Franchise Fees

\$5,052,000

Land Use	Per Unit	Franchise Fee Revenue (000's)				
		2002	2003	2004	2005	2006
Total Single Family Units	\$33	\$8.3	\$21.3	\$25.3	\$39.5	\$47.5
Total Multi Family Units	\$33	\$2.3	\$5.0	\$8.9	\$13.6	\$20.6
Total Commercial Acres	\$1,544	\$0.0	\$0.0	\$0.0	\$0.0	\$47.4
<b>TOTAL EASTLAKE III</b>		<b>\$10.6</b>	<b>\$26.3</b>	<b>\$34.3</b>	<b>\$53.1</b>	<b>\$115.4</b>

Table A-8  
ESTIMATED TRANSIENT OCCUPANCY TAX

2000/2001 Budget  
For Transient Occupancy Tax

\$2,064,000

Land Use	TOT per Unit/Net Acre	Transient Occupancy Tax (000's)				
		2002	2003	2004	2005	2006
Total Single Family Units	\$3	\$0.8	\$1.9	\$2.3	\$3.6	\$4.3
Total Multi Family Units	\$3	\$0.2	\$0.5	\$0.8	\$1.2	\$1.9
Total Retail Commercial Acres	\$78	\$0.0	\$0.0	\$0.0	\$0.0	\$0.9
Total Tourist Commercial Acres	\$79,355	\$0.0	\$0.0	\$0.0	\$0.0	\$1,483.9
<b>TOTAL EASTLAKE III</b>		<b>\$1.0</b>	<b>\$2.4</b>	<b>\$3.1</b>	<b>\$4.8</b>	<b>\$1,491.0</b>

Table A-9  
ESTIMATED UTILITY TAX

2000/2001 Budget  
For Utility Tax \$3,705,000

Land Use	Tax per Unit/Net Acre	Utility Tax Revenue (000's)				
		2002	2003	2004	2005	2006
Total Single Family Units	\$24	\$6.1	\$15.5	\$18.4	\$28.8	\$34.5
Total Multi Family Units	\$24	\$1.7	\$3.7	\$6.5	\$9.9	\$15.0
Total All Commercial Acres	\$1,132	\$0.0	\$0.0	\$0.0	\$0.0	\$34.8
<b>TOTAL EASTLAKE III</b>		<b>\$7.7</b>	<b>\$19.1</b>	<b>\$24.9</b>	<b>\$38.6</b>	<b>\$84.2</b>

Table A-10  
ESTIMATED BUSINESS LICENSE REVENUE

2000/2001 Budget  
For Business License Tax \$915,200

Land Use	Average Business License Fee Per Acre	Business License Fees (000's)				
		2002	2003	2004	2005	2006
Total All Commercial Acres	\$598	\$0.0	\$0.0	\$0.0	\$0.0	\$18.4
<b>TOTAL EASTLAKE III</b>		<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$18.4</b>

Table A-11  
ESTIMATED MISCELLANEOUS REVENUES

	Allocation of Budget			Per House Unit	Per Comm. Acre	
2000/2001 Budget	Total Budget	Residential	Commercial			
Animal License	\$63,072	\$63,072		\$1.11		
Motor Vehicle Licenses	\$8,798,000	\$8,798,000		\$154.55		
State HOPTR	\$180,000	\$180,000		\$3.16		
Gas Tax	\$2,365,320	\$2,069,655	\$224,705	\$36.36	\$188.2	
Library Fines	\$195,472	\$195,472		\$3.43		
Parking Citations	\$266,500	\$199,875	\$50,635	\$3.51	\$42.4	
Charges for Current Services						
Recreation Program	\$477,908	\$477,908		\$8.40		
Total Misc. Revenue	\$12,346,272	\$11,983,982	\$275,340			
	Per Unit/Acre			\$210.52	\$230.57	
Land Use	Per Unit/Acre	Miscellaneous Revenue (000's)				
		2002	2003	2004	2005	2006
Total Single Family Units	\$210.52	\$53.3	\$135.6	\$161.5	\$252.2	\$302.7
Total Multi Family Units	\$210.52	\$14.5	\$32.2	\$57.1	\$86.5	\$131.2
Total All Commercial Acres	\$230.57	\$0.0	\$0.0	\$0.0	\$0.0	\$7.1
TOTAL EASTLAKE III		\$67.8	\$167.8	\$218.5	\$338.7	\$441.0

Table A-12  
ESTIMATED EXPENDITURES FOR GOVERNMENT ADMINISTRATION

2000/2001 Budget For	
Government Administration	\$17,848,568
Land Use	Allocated
	Cost
All Land Uses	25.5% of total line operations
Land Use	Government Administration (000's)
	2002 2003 2004 2005 2006
<b>TOTAL EASTLAKE III</b>	<b>\$58.2 \$143.5 \$203.9 \$315.8 \$426.1</b>

Table A-13  
ESTIMATED PLANNING COST  
(Non-Current)

2000/2001 Budget For	
Planning Expenditures	\$1,187,606
Residential	Cost per Unit
Commercial	/Net Acre
	\$16.43
	\$129.90
Land Use	Planning Costs (000's)
	2002 2003 2004 2005 2006
Total Single Family Units	\$4.2 \$10.6 \$12.6 \$19.7 \$23.6
Total Multi Family Units	\$1.1 \$2.5 \$4.5 \$6.8 \$10.2
Total All Commercial Acres	\$0.0 \$0.0 \$0.0 \$0.0 \$4.0
<b>TOTAL EASTLAKE III</b>	<b>\$5.3 \$13.1 \$17.1 \$26.4 \$37.9</b>

Table A-14  
ESTIMATED POLICE PROTECTION COST

2000/2001 Budget For	
Police Expenditures	\$26,587,483
Residential	Cost per Unit/Net
Commercial	Acre
	\$339.47
	\$5,050
Land Use	Police Protection Costs (000's)
	2002 2003 2004 2005 2006
Total Single Family Units	\$85.9 \$218.6 \$260.4 \$406.7 \$488.2
Total Multi Family Units	\$23.4 \$51.9 \$92.0 \$139.5 \$211.5
Total Retail Commercial Acres	\$0.0 \$0.0 \$0.0 \$0.0 \$60.6
<b>TOTAL EASTLAKE III</b>	<b>\$109.3 \$270.6 \$352.4 \$546.2 \$760.2</b>

Table A-15  
ESTIMATED FIRE PROTECTION COST

ESTIMATED FIRE PROTECTION COST

2000/2001 Budget For					
Fire Expenditures	\$8,303,616				
	Cost per Unit				
	/Net Acre				
Residential	\$145.87				
Commercial	\$1,577				
	Fire Protection Costs (000's)				
Land Use	2002	2003	2004	2005	2006
Total Single Family Units	\$36.9	\$93.9	\$111.9	\$174.8	\$209.8
Total Multi Family Units	\$10.1	\$22.3	\$39.5	\$60.0	\$90.9
Total Retail Commercial Acres	\$0.0	\$0.0	\$0.0	\$0.0	\$18.9
<b>TOTAL EASTLAKE III</b>	<b>\$47.0</b>	<b>\$116.3</b>	<b>\$151.4</b>	<b>\$234.7</b>	<b>\$319.6</b>

Table A-16  
ESTIMATED LIBRARY COST

2000/2001 Budget For

Library Expenditures	\$6,429,116
	Cost per Unit/Net
	Acre
Residential	\$112.94
Commercial	\$0

Library Costs (000's)

Land Use	2002	2003	2004	2005	2006
Total Single Family Units	\$28.6	\$72.7	\$86.6	\$135.3	\$162.4
Total Multi Family Units	\$7.8	\$17.3	\$30.6	\$46.4	\$70.4
Total Retail Commercial Acres	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>TOTAL EASTLAKE III</b>	<b>\$36.4</b>	<b>\$90.0</b>	<b>\$117.2</b>	<b>\$181.7</b>	<b>\$232.8</b>

Table A-17  
ESTIMATED EXPENDITURES FOR PUBLIC WORKS

2000/2001 Budget For  
Public Works

	\$17,530,224	Cost Allocation Unit/Acre	
		Residential	Commercial
<b>Operations</b>			
Administration	\$631,275	\$11.61	\$91.76
Traffic Operations	\$526,180	\$676.32	per lane mile
Street Maintenance	\$1,136,493	\$1,460.79	per lane mile (1)
Street Sweeping	\$356,330	\$345.76	per lane mile
Street Tree Maintenance	\$595,657	\$416.67	per street mile
Wastewater Maintenance	\$2,315,870	self supporting	
Wastewater Lift Station Maint.	\$459,964	self supporting	
<b>Engineering</b>			
Traffic Signal Maint.			
Signal costs	\$466,691	\$3,287	per signal
Street light costs	\$700,036	\$111	per street light
Transit Service Operations	\$180,655	self supporting	
Environmental Mgmt	\$164,207	self supporting	

1) Estimated at 20% in year 5, 40% in year 6, to 100% in year 9

	Public Works Expenditures (000's)					
	2002	2003	2004	2005	2006	TOTAL
Public Street Lane Miles *	4.6	11.4	14.9	23.0	29.5	29.5
Public Street Miles *	2.1	5.2	6.8	10.5	13.5	14
Street Lights**	26	63	83	128	164	164
Signals**	1	2	2	3	4	4
Operations Admin.	\$ 3.7	\$ 9.3	\$ 12.0	\$ 18.7	\$ 25.0	
Street Mile Costs	\$ 0.9	\$ 2.2	\$ 2.8	\$ 4.4	\$ 5.6	
Lane Mile Costs	\$ 4.7	\$ 11.7	\$ 15.2	\$ 23.5	\$ 30.2	
Street Maint.***	\$ -	\$ -	\$ -	\$ -	\$ -	
Signal/street light costs	\$ 6.2	\$ 13.6	\$ 15.8	\$ 24.1	\$ 31.3	
<b>TOTAL EASTLAKE III</b>	<b>\$ 15.5</b>	<b>\$ 36.6</b>	<b>\$ 45.9</b>	<b>\$ 70.6</b>	<b>\$ 92.1</b>	

\* The phasing of streets were estimated based on the estimated absorption of residential units.

\*\* The phasing of signals and street lights were based on the phasing of streets

\*\*\*Represent a 15 year annual average during the period from 2001 to 2015

Table A-18  
ESTIMATED EXPENDITURES FOR PARK AND RECREATIONS

Estimated Park Development Schedule	Park Acres				
	2002	2003	2004	2005	2006
	0	0	7.7	11.9	15.2

000/2001 Budget For		
Park & Recreation	\$5,644,290	Cost Allocation Unit/Acre
Parks, Recreation and Open Space	\$5,644,290	
Parks	\$3,012,952	\$8,866 per park acre
Administration - Parks	\$385,488	
Administration - Open Space	\$334,552	provided by lighting and landscape district
Maintenance	\$2,292,912	
General	\$2,147,445	
Marina Park	\$271,425	Not Applicable
Recreation	\$2,564,298	\$45.05 per housing unit
Administration- Recreation	\$237,124	\$4.17 per housing unit
Swimming & Sports	\$868,943	\$15.26 per housing unit
Senior and youth Services	\$303,107	\$5.32 per housing unit
Recreation Facilities	\$1,155,124	\$20.29 per housing unit

	Park and Recreations(000's)				
	2002	2003	2004	2005	2006
k	\$0.0	\$0.0	\$68.3	\$105.5	\$134.8
Recreation	\$14.5	\$35.9	\$46.8	\$72.5	\$92.8
<b>TOTAL EASTLAKE III</b>	<b>\$14.5</b>	<b>\$35.9</b>	<b>\$115.0</b>	<b>\$178.0</b>	<b>\$227.6</b>





## **Appendix B**



## PARK AGREEMENT

This Park Agreement ("Agreement") is entered into to be effective as of December 9<sup>th</sup>, 2000 by and between The City of Chula Vista, a municipal corporation having charter powers ("City"), The EastLake Company, LLC, a California limited liability company ("EastLake") and Pacific Bay Properties, a California corporation ("Pacific Bay"), with reference to the following facts:

### R E C I T A L S

A. EastLake owns certain real property located in the City, which is part of the third phase of the master planned community, commonly known as EastLake ("EastLake III"). EastLake III includes proposed neighborhoods commonly known as EastLake Woods and EastLake Vistas.

B. Pursuant to Section 6.1.1.5 of that certain Amended and Restated Development Agreement between City and EastLake for EastLake III dated February 1, 2000, ("Development Agreement") EastLake is required to dedicate seventeen (17) acres of park land for EastLake III, not to exceed seven (7) acres in EastLake Woods, for neighborhood parks. This obligation may be increased if the number of dwelling units increases from that allowed in the current EastLake III General Development Plan.

C. Pacific Bay owns certain real property located in the City and adjacent to EastLake III, which is part of the Salt Creek Ranch Sectional Planning Area Plan ("Salt Creek Ranch SPA").

D. Pursuant to the Salt Creek Ranch SPA, Pacific Bay is required to dedicate land and construct the Rolling Hills Ranch Community Park ("Rolling Hills Park").

E. Pacific Bay owns certain real property in the Salt Creek Ranch SPA adjacent to the Rolling Hills Park site ("Additional Park Land"), more particularly described and depicted on Exhibit A attached hereto.

F. The City desires to acquire the Additional Park Land and use it for expansion of the Rolling Hills Park. Such expansion of Rolling Hills Park would be in lieu of the park in the EastLake Woods neighborhood; provided, however, that EastLake provides the funds to the City for acquisition of the Additional Park Land.

G. The City, EastLake and Pacific Bay desire to complete acquisition of the Additional Park Land and expansion of the Rolling Hills Park subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above recitals, which the parties hereto acknowledge and agree are true, and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City, EastLake and Pacific Bay hereby agree as follows:

## **ARTICLE I OFFER OF DEDICATION**

1.1 Purchase/Price. Subject to the terms and conditions set forth herein, EastLake agrees to purchase for the benefit of the City the Additional Park Land for an acquisition price of One Million Six Hundred Thousand Dollars (\$1,600,000.00) ("Acquisition Price").

1.2 Closing Date. The Closing Date shall be within five (5) days of the satisfaction or waiver of the conditions set forth in Article V of this Agreement, provided in no event shall the Closing Date be later than December 20, 2000.

1.3 Offer of Dedication. Subject to the terms and conditions set forth herein, Pacific Bay agrees to sell the Additional Park Land for the benefit of the City. The evidence of such sale shall be the delivery of the irrevocable offer to dedicate the Additional Park Land to the City ("Offer of Dedication") in the form set forth in Exhibit B attached hereto.

## **ARTICLE II OPENING OF ESCROW**

2.1 Opening of Escrow. Within three (3) days of the parties' of the execution of this Agreement, the parties shall open an escrow with First American Title Company ("Escrow Agent") by delivering copies of this Agreement signed by the parties, and funds and instruments, required by this Agreement. The first date on which all of the preceding events have been completed will be the "Escrow Opening Date."

2.2 Fees. EastLake and Pacific Bay shall share equally all Escrow costs and fees, including termination fees, if any.

2.3 Automatic Termination. If the Escrow is automatically terminated pursuant to the terms of this Agreement, the following will apply:

2.3.1 Escrow Agent will return all funds and documents held by it to the party depositing the same, except the Escrow Agent may return such funds and documents usually obtained by Escrow Agent's in accordance with standard escrow termination procedures.

2.3.2 Escrow Agent may deduct any funds held by Escrow Agent in a sufficient amount to pay its termination fees in full.

2.3.3 Escrow Agent will be entitled to take no further action until directed to do so, either by the parties mutual written instructions or by a final order or judgment of report of competent jurisdiction.

2.3.4 Each party will promptly sign and deliver to Escrow Agent any Escrow termination instructions requested by Escrow Agent together with EastLake's and Pacific Bay's share of Escrow Agent's termination fees.

2.3.5 Notwithstanding the automatic termination of the Escrow, the covenants of the parties set forth in this Agreement are not thereby rescinded or terminated, and each party will be left with all its legal or equitable remedies.

**ARTICLE III  
EASTLAKE'S DELIVERIES TO ESCROW AGENT**

3.1 Deliveries Before Closing Date. EastLake will, no later than noon of the last business day before the Closing Date, deliver to Escrow Agent each of the following:

3.1.1 The Acquisition Price in cash of \$1,600,000.00.

**ARTICLE IV  
PACIFIC BAY'S DELIVERIES TO ESCROW AGENT**

4.1 Deliveries Before Closing Date. Pacific Bay will, no later than noon of the last business day before the Closing Date, deliver to Escrow Agent each of the following:

4.1.1 The Offer of Dedication for the Additional Park Land executed and acknowledged by Pacific Bay.

**ARTICLE V  
CONDITIONS PRECEDENT**

5.1 City Conditions Precedent. The closing of Escrow shall be subject to the satisfaction or waiver by the City of each of the following conditions precedent:

5.1.1 Approval of Title. Delivery to Escrow Agent prior to December 12, 2000, of City's written approval of the title described in a preliminary title report and a title policy pro forma of the Additional Park Land issued by First American Title Company ("Preliminary Title Report"). Escrow Agent is instructed to obtain the Preliminary Title Report (and a copy of each of the documents reported therein) at EastLake and Pacific Bay's equally shared expense and to deliver the same to City within five (5) days following the Escrow Opening Date. If after City's review of the Preliminary Title Report, the City determines the title of the Additional Park Land is not acceptable to the City, City agrees to give Pacific Bay a written title objection and Pacific Bay may cure such condition(s) prior to the Closing Date. If Pacific Bay decides in its sole discretion not to cure the title condition of the Additional Park Land, Pacific Bay agrees to give City written notice of its decision to not cure within three (3) days of Pacific Bay's receipt of the City's written title objection and this Agreement shall be terminated. Pacific Bay's failure to give City written notice within such three (3) day period shall be deemed its decision to not cure the title objection(s) and this Agreement shall automatically terminate.

5.1.2 Grading Plan. Delivery to Escrow Agent, prior to the Closing Date, of City's written approval of the conceptual site grading plan for the Rolling Hills Park and the Additional Park Land, subject to final engineering.

5.1.3 EastLake Funds. EastLake has posted the bond or other security acceptable to City pursuant to Section 8.1 of this Agreement.

5.1.4 Dedication. Pacific Bay has delivered the Offer of Dedication to the Escrow Agent in a form approved by City.

5.1.5 Taxes. Pacific Bay has paid all real property taxes or other fees, if any, on the Additional Park Land pro-rata to the Closing Date.

5.2 EastLake Condition Precedent. The closing of Escrow shall be subject to the satisfaction or waiver by EastLake of the following condition precedent:

5.2.1 Receipt of Funds. EastLake's receipt of previously paid park fees in the amount of \$1,600,000.00 from City as provided in Section 8.1.

## **ARTICLE VI PACIFIC BAY COVENANTS AND ACKNOWLEDGEMENTS**

6.1 Park Construction. Pacific Bay shall complete construction of the Rolling Hills Park, including the Additional Park Land, in accordance with all City requirements.

6.2 Grading. Pacific Bay shall grade the entire Rolling Hills Community Park site, including the Additional Park Land, commencing no later than January 1, 2001. Completion shall be no later than four (4) months after the start date. Such grading shall be in accordance with the grading plan approved by City.

6.3 Fair Market Value. Pacific Bay acknowledges and agrees that the Acquisition Price of \$1,600,000.00 is the fair market value of the Additional Park Land, based on a residential use of the Additional Park Land, as of the date of this Agreement.

6.4 Taxes. Pacific Bay shall pay all real property taxes or other fees, if any, on the Additional Park Land, pro-rata to the Closing Date.

6.5 Obligations. Pacific Bay shall fully cooperate with the City to process releases from the following agreements affecting the Additional Park Land which shall release the Additional Park Land from the obligations set forth in the agreements: Affordable Housing Agreement San Diego County Recorder No. 97-0359972; Supplement Subdivision Improvement Agreement San Diego County Recorder No. 97-0400742; Mitigation Agreement San Diego County Recorder No. 97-0561204; and Easement and Maintenance Agreement San Diego County Recorder No. 98-0445083. Pacific Bay acknowledges and agrees that it is the City's intent that the Additional Park Land shall have no responsibility for the provisions set forth in those agreements.

6.6 Park Obligation. Pacific Bay acknowledges and agrees that it is providing between 21.5 and 22 acres of park at its Rolling Hills Park site to be based on final maps. In consideration of the terms of this Agreement, Pacific Bay agrees to provide the full cost of the improvements portion of the PAD fee for the 22 acres of park site which is in excess of the Rolling Hills Ranch PAD ordinance obligation. Pacific Bay and City entered into a Letter Agreement for Prepayment of Park Fees dated October 1, 1997, which set forth the security deposit for the development portion of the park acquisition and development fees ("PAD Fees") for all 2,616 units approved in accordance with Salt Creek Ranch Tentative Map No. 92-02 adopted per Resolution No. 16834. In the event that development of Neighborhoods 9-13 results in fewer than the 438 units approved for these neighborhoods as a result of third party

governmental action by an agency such as United States Fish and Wildlife Service which are beyond Pacific Bay's control, Pacific Bay shall be entitled to a refund of the difference between the actual number of units mapped in Neighborhoods 9-13 and 438 multiplied by \$2,260, the development portion of the PAD fee in effect at the time the security deposit was made. Should the Security Deposit have been previously expended for the construction of the park, the refund shall come from such other fund as the City may deem appropriate. City and Pacific Bay acknowledge that, due to a reduction in the number of units previously mapped in Neighborhoods 1-8, this arrangement results in a land dedication and development fee provision in excess of its obligations pursuant to the PAD ordinance obligation for the project.

## **ARTICLE VII REPRESENTATIONS AND WARRANTIES**

7.1 Hazardous Materials. To the best of Pacific Bay's actual knowledge and without inquiry or investigation and specifically without imputing constructive knowledge, no Hazardous Materials have been discovered, released, discarded, discharged, disposed, or stored in, from or on the Additional Park Land. "Hazardous Materials" means any substance, material or waste which is or becomes (i) regulated by any local or regional governmental authority, the State of California or the United States Government as hazardous waste, (ii) is defined as a "solid waste", "sludge", "hazardous waste", "extremely hazardous waste", "restricted hazardous waste", "Non-RCRA hazardous waste", "RCRA hazardous waste", or "recyclable material", under any federal, state or local statute, regulation or ordinance, including without limitation Sections 25115, 25117, 25117.9, 25120.2, 25120.5, 251227, 25140, 25141 of the California Health and Safety Code; (iii) defined as "Hazardous Substance" under Section 25316 of the California Health and Safety Code; (iv) defined as a "Hazardous Material", "Hazardous Substance", or "Hazardous Waste" under Section 25501 of the California Health and Safety Code; (v) defined as a "Hazardous Substance" under Section 25281 of the California Health and Safety Code; (vi) asbestos; (vii) petroleum products, including without limitation, petroleum, gasoline, used oil, crude oil, waste oil and any fraction hereof, natural gas, natural gas liquefied, natural gas or synthetic fuels, (viii) materials defined as hazardous or extremely hazardous pursuant to the California Code of Regulations; (ix) polychlorinated biphenyls; (x) defined as a "Hazardous Substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.); (xi) defined as a "Hazardous Waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., (xii) defined as a "Hazardous Substance" or "Mixed Waste" pursuant to Section 101 of the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9601 et seq. and regulations promulgated thereunder; (xiii) defined as a "Hazardous Substance" pursuant to Section 401.15 of the Clean Water Act, 40 C.F.R. 116; or (xiv) defined as an "Extremely Hazardous Substance" pursuant to Section 302 of the Superfund Amendments and Reauthorizations Act of 1986, 42 U.S.C. Section 11002 et seq.

7.2 Bio-Grow. Pacific Bay hereby discloses that it is informed that Biosolid materials used as fertilizer were applied by RPI-Biogrow, predecessor to Synagro (presently located at P.O. Box 7027, Corona, California 92878) in and around the Additional Park Land from on or about November 18, 1999 to November 30, 1999. Pacific Bay makes no representations and/or warranties with respect to such Bio-Grow or the compliance or lack of compliance with applicable law. City acknowledges that the Additional Park Land may not be occupied,



inhabited or used for human habitation for one year from November 30, 1999, the last date Pacific Bay is aware of the use of Bio-Grow fertilizer.

## **ARTICLE VIII COVENANTS**

8.1 Acquisition Reimbursement. Prior to Closing, the City shall provide park fees previously paid by EastLake in the amount of \$1,600,000.00 for EastLake's payment of the Acquisition Price for the Additional Park Land. After the Closing Date, when required herein, EastLake shall pay the City \$1,600,000.00 cash as reimbursement for providing EastLake the Acquisition Price. In connection therewith, EastLake shall, prior to the Close of Escrow, post a bond or other security acceptable to City, to guarantee reimbursement of the \$1,600,000.00 Acquisition Price. EastLake agrees to pay the \$1,600,000.00 reimbursement to the City within ten (10) days of the commencement of construction of the Salt Creek Community Park as notified by the City. Upon EastLake's payment to City of the \$1,600,000.00 reimbursement, the City shall release the bond or other security posted to guarantee such reimbursement. EastLake further covenants that it shall pay the park advance fee of \$2,135,000.00 described in Section 6.1.2.1 of the Development Agreement, upon the earlier to occur of (i) commencement of construction of the Rolling Hills Park, or (ii) City approval of the EastLake III tentative map. EastLake shall be responsible for any additional costs in the acquisition of the Additional Park Land, such as escrow fees.

8.2 Separate Account. EastLake shall be responsible for the entire cost of the Additional Park Land development of 5.6 net usable acres (plus or minus one-tenth of an acre), in accordance with the City's PAD Fee ordinance, as amended from time to time. Such fees shall be deposited in the Pacific Bay existing park deposit account, subject to the same requirements and provisions.

8.3 Park Acreage. City shall grant EastLake 5.6 acres (plus or minus one-tenth of an acre depending on final engineering) park acreage credit equal to the amount of net usable park acreage available on the Additional Park Land. In the event that the amount of net usable park acreage on the Additional Park Land, plus the net usable park acreage in EastLake Vistas, does not satisfy the EastLake III park acreage obligations, EastLake shall pay an amount equal to the difference between (i) the net usable park acreage on the Additional Park Land plus the net usable park acreage in EastLake Vistas, and (ii) the park acreage obligations of the EastLake III project based on the residential units within EastLake III and the City's PAD Fee ordinance. As part of the 5.6 park acreage credit, EastLake shall convey to City, within 30-days of the date of this Agreement, certain real property, owned by EastLake, 14 feet wide adjacent to the southern boundary of the Additional Park Land for use as a public park trail to serve the Rolling Hills Park, provided that such conveyance shall be required only if the Offer of Dedication is delivered to City as provided in this Agreement.

8.4 Utility Easements. City shall permit water, sewer, storm drain and other drainage easements across the Additional Park Land necessary for development of adjacent properties in the Salt Creek Ranch SPA, provided the locations of such easements are in the least obtrusive locations possible and do not interfere with use of the Additional Park Land for a public park. The locations of such utility easements have been approved by the City, as shown on Exhibit C attached hereto.

8.5 Site Configuration. The parties acknowledge that this Agreement will result in a reconfiguration and redesignation of the land uses as described in the Salt Creek Ranch SPA as follows: redesignate the 3 acre CPF site, south of and contiguous to the Rolling Hills Park to park land, and redesignate a 3 acre site at the southwest corner of Neighborhood 8 from Residential Low to CPF, all as shown on Exhibit A attached hereto. Pacific Bay agrees to fully cooperate with the City to effectuate the reconfiguration and redesignation through the exchange of necessary documentation.

## **ARTICLE IX CLOSING**

9.1 Conditions to Closing. Escrow Agent will close the Escrow on the Closing Date by (i) filing for record the Offer of Dedication and (ii) delivering funds and documents to the parties' as set forth below, when each of the following conditions has been satisfied:

9.1.1 All funds and documents described in Article III and Article IV have been delivered to Escrow Agent.

9.1.2 All conditions set forth in Article V have been satisfied or waived by City or EastLake, as applicable.

9.2 Distribution. Escrow Agent will, at the close of Escrow, pay to Pacific Bay the Acquisition Price and cause the County Recorder to mail to the City the Offer of Dedication.

## **ARTICLE X MISCELLANEOUS PROVISIONS**

10.1 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the herein subject matter, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to as an Exhibit herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

10.2 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected, unless the parties otherwise agree in writing.

10.3 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect the ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

10.4 Section Headings. All section heading and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

10.5 Singular and Plural. As used herein, the singular of any word includes the plural.

10.6 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.7 Waiver. Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

10.8 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the parties and their successors and assigns. No other person shall have any right of action based upon any provisions of this Agreement.

10.9 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government regulations, court actions (such as restraining orders or injunctions), or other causes beyond the party's control.

10.10 Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefitted thereby of the covenants to be performed hereunder by such benefitted party. The covenants set forth in this Agreement shall survive the Closing and recording of the Offer of Dedication.

10.11 Successors In Interest. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and interests of the parties until released by the mutual consent of the parties.

10.12 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all the parties had executed the same instrument.

10.13 Jurisdiction and Venue. Any action or law or in equity arising under this Agreement or brought by an party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of San Diego, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

10.14 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment of affidavit if reasonably required, and file or record such required

instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

10.15 Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of all parties specifically approving the amendment. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction or unrelated matters.

**[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]**

10.16 Notices. Any notice called for in this Agreement shall be sent by hand delivery, overnight courier service, or by registered or certified mail as follows:

To City at: City of Chula Vista  
276 Fourth Avenue  
Chula Vista, California 91910  
Attn: George Krempf

To EastLake at: The EastLake Company, LLC  
900 Lane Avenue, Suite 100  
Chula Vista, California 91914  
Attn: William Ostrem

To Pacific Bay at: Pacific Bay Properties  
2300 Boswell Road, Suite 209  
Chula Vista, CA 91914  
Attn: Liz Jackson

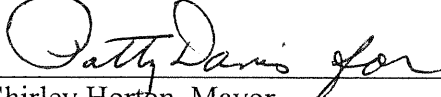
or such other address as a party may inform the others of from time to time. Any such notices sent by registered or certified mail, return receipt requested, shall be deemed to have been duly given and received seventy-two (72) hours after the same is so addressed and mailed with postage prepaid. Notices delivered by overnight service shall be deemed to have been given twenty-four (24) hours after delivery the same, charges prepaid to the U.S. Postal Service or private courier. Any notice or other document sent by any other matter shall be effective only upon actual receipt thereof.

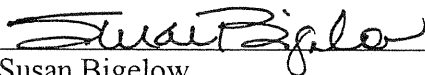
10.17 Authority to Execute. The person or persons executing this Agreement on behalf of EastLake and Pacific Bay warrants and represents that he/they have the authority to execute this Agreement on behalf of his/their corporation, partnership or business entity and warrants and represents that he/they has/have the authority to bind EastLake and Pacific Bay to the performance of its obligations hereunder.

10.18 Exhibits and Attachments. All Exhibits referred to within the Agreement are incorporated by reference to this Agreement. All Attachments referenced herein are purely for informational purposes and are not incorporated nor made a part of the Agreement.

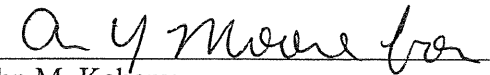
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

CITY OF CHULA VISTA

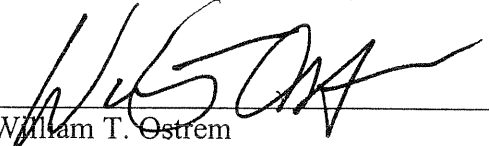
  
Shirley Horton, Mayor

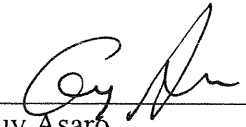
ATTEST:   
Susan Bigelow  
City Clerk

Approved as to form by

  
John M. Kaheny  
City Attorney

THE EASTLAKE COMPANY, LLC,  
a California limited liability company

By:   
William T. Ostrem  
President

By:   
Guy Asaro  
Vice President

PACIFIC BAY PROPERTIES, a California  
corporation

By:   
Its: Vice President

By: \_\_\_\_\_  
Its: \_\_\_\_\_



## EXHIBIT "A" LEGAL DESCRIPTION

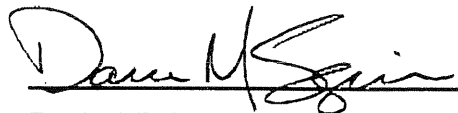
THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MONUMENT LOCATED AT THE SOUTHWEST CORNER OF SAID SECTION 26, AS FOUND PER RECORD OF SURVEY NO. 14064 FILED IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER FEBRUARY 5, 1993 AND DESCRIBED AS "A 2" IRON PIPE WITH DISK MARKED "L.S. 4324" "; THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 26, SOUTH 88°27'32" EAST, 3503.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID SOUTHERLY LINE, NORTH 20°37'36" WEST, 537.13 FEET; THENCE NORTH 08°52'51" WEST, 80.00 FEET; THENCE NORTH 73°13'29" EAST, 542.71 FEET; THENCE SOUTH 02°32'00" WEST, 7.18 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY AND HAVING A RADIUS OF 480.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 34°17'00" A DISTANCE OF 287.21 FEET; THENCE SOUTH 31°45'00" EAST, 318.37 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 420.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°53'23" A DISTANCE OF 72.50 FEET; THENCE SOUTH 21°51'37" EAST, 120.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 480.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 03°39'33" A DISTANCE OF 30.66 FEET TO A POINT ON THE SAID SOUTHERLY LINE OF SECTION 26; THENCE ALONG SAID SOUTHERLY LINE, NORTH 88°27'32" WEST, 121.63 FEET; THENCE LEAVING SAID SOUTHERLY LINE, NORTH 31°45'00" WEST, 453.55 FEET; THENCE SOUTH 58°15'00" WEST, 391.94 FEET; THENCE SOUTH 20°37'36" EAST, 177.08 FEET TO A POINT ON SAID



SOUTHERLY LINE OF SECTION 26; THENCE ALONG SAID SOUTHERLY LINE, NORTH  
88°27'32" WEST, 15.12 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL CONTAINS 6.056 ACRES, MORE OR LESS.

  
DANA MICHAEL SEGUIN  
HUNSAKER & ASSOCIATES SAN DIEGO, INC.

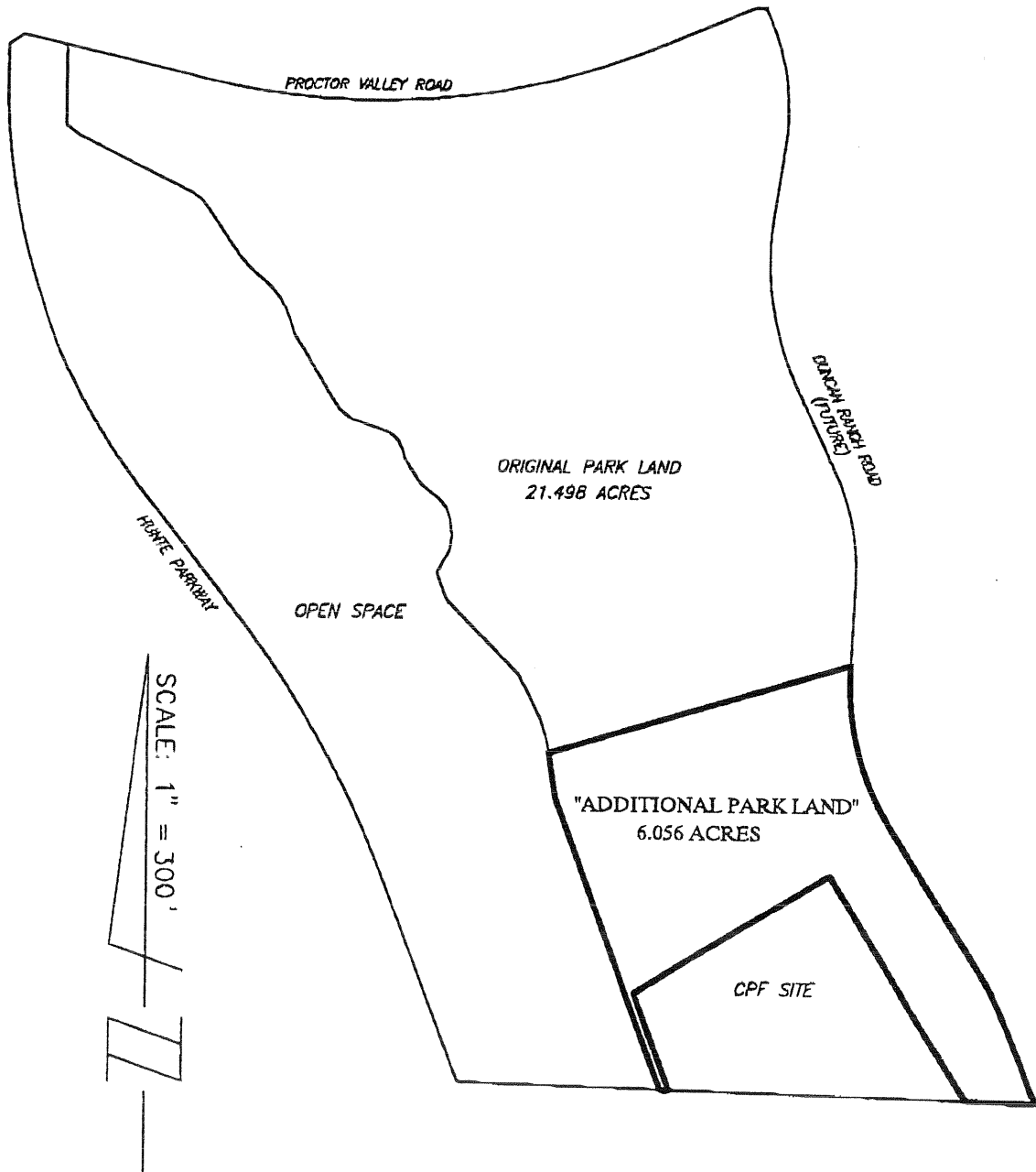
12-12-00

L.S. 6215



# EXHIBIT "A"

## ADDITIONAL PARK LAND





**EXHIBIT B**  
**OFFER OF DEDICATION**

*Recording Requested by and  
Please Return to:*

City Clerk  
City of Chula Vista  
P.O. Box 1087  
Chula Vista, California 91912

*This Instrument Benefits City Only.  
No Fee Required.*

*This Space for Recorder's Use Only*

APN(s) \_\_\_\_\_

C.V. File No. \_\_\_\_\_

**IRREVOCABLE OFFER  
OF DEDICATION OF FEE INTEREST**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, PACIFIC BAY PROPERTIES \_\_\_\_\_, a \_\_\_\_\_, represents that, as the owner of the herein-described real property (referred to as "Grantor"), Grantor hereby makes an Irrevocable Offer of Dedication of fee interest to THE CITY OF CHULA VISTA, A MUNICIPAL CORPORATION, the hereinafter described real property.

The real property referred to above is situated in the City of Chula Vista, County of San Diego, State of California and is more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

This Offer of Dedication is made pursuant to Section 7050 of the Government Code of the State of California and may be accepted at any time by the City Clerk of the City of Chula Vista.

This Offer of Dedication of fee interest shall be irrevocable and shall be binding on the Grantor, its heirs, executors, administrators, successors and assigns.

SIGNATURE PAGE

Signed this 20th day of December, 2000.

PACIFIC BAY PROPERTIES \_\_\_\_\_, a  
CALIFORNIA CORP.

By: [Signature]  
Its: Vice President

By: \_\_\_\_\_

Its: \_\_\_\_\_

This is to certify that the interest in real property offered herein to the City of Chula Vista, a governmental agency, is hereby acknowledged by the undersigned, City Clerk, on behalf of the Chula Vista City Council pursuant to authority conferred by Resolution No. 15645 of the Chula Vista City Council adopted on June 5, 1990, and the Grantee's consent to the recordation thereof by its duly authorized officer.

SUSAN BIGELOW  
CITY CLERK

By: [Signature]

Date: 12/27/00

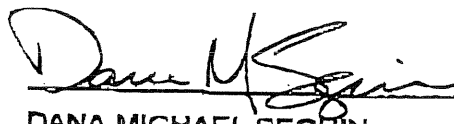
**EXHIBIT "A" TO IOD  
LEGAL DESCRIPTION**

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 17 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

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88°27'32" WEST, 15.12 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL CONTAINS 6.056 ACRES, MORE OR LESS.

  
DANA MICHAEL SEGUIN  
HUNSAKER & ASSOCIATES SAN DIEGO, INC.

12-12-00

L.S. 6215



**EXHIBIT C**  
**EASEMENTS**





## **Appendix C**



THE ORIGINAL OF THIS DOCUMENT  
WAS RECORDED ON NOV 01, 2001  
DOCUMENT NUMBER 2001-0798036  
GREGORY J. SMITH, COUNTY RECORDER  
SAN DIEGO COUNTY RECORDER'S OFFICE  
TIME: 2:02 PM

RECORDING REQUESTED BY	
WHEN RECORDED RETURN TO:	
Office of the City Clerk City of Chula Vista 276 Fourth Ave. Chula Vista, CA 91910	

Space Above This Line For Recorder's Use Only

SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT

BETWEEN THE CITY OF CHULA VISTA

AND

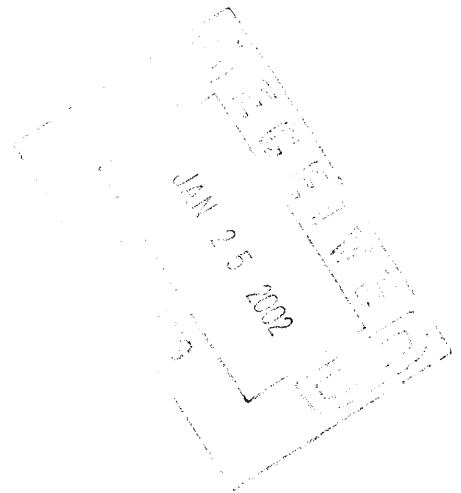
THE EASTLAKE COMPANY, LLC

FOR

EASTLAKE III

(TRAILS, WOODS, VISTAS, BUSINESS CENTER EXPANSION,

OLYMPIC TRAINING SITE AND LAND SWAP)



R2001-209



SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT  
BETWEEN THE CITY OF CHULA VISTA  
AND  
THE EASTLAKE COMPANY, LLC FOR  
EASTLAKE III

This Second Amended and Restated Development Agreement ("this Agreement") is entered into on October 9, 2001, between THE EASTLAKE COMPANY, LLC, a California limited liability company as successor-in-interest to EastLake Development Company, a California general partnership ("Developer"), and the CITY OF CHULA VISTA, a municipal corporation having charter powers ("City"), with reference to the recitals set forth herein below which are incorporated herein by reference as if set forth fully.

1. Recitals.

1.1 The Original Development Agreement. Developer and City entered into that certain Development Agreement between the City of Chula Vista and EastLake Development Company for EastLake III executed by the mayor of the City of Chula Vista on April 6, 1990, and recorded in the official records of the County of San Diego on April 9, 1990, as Document Number 90-189782 (the "Original Development Agreement").

1.2 Amendment of the Development Agreement. Upon execution of the Letter of Intent, City and Developer agreed to commence and diligently process for the City Council's approval an amendment to the Original Development Agreement to extend the term of the Original Development Agreement for a period of ten years, provided that the parties also mutually agree upon updates to reflect current policies, ordinances and procedures as provided in Section 1.a. of the Letter of Intent. Such amendment also was understood to include incorporation of the Land Swap Parcel, as depicted on Exhibit A-1 and described in Exhibit A-2, into the amendment to the Original Development Agreement, as provided in Section 1.b. of the Letter of Intent.

1.3 University of California Site. In exchange for processing such an amendment to the Original Development Agreement, Developer agreed that City may offer to the University of California certain real property described in the Letter of Intent ("University Site") subject to City attaining ownership of the University Site in accordance with a certain Offer Agreement memorializing the terms of the Letter of Intent as provided in Section 1.b. of the Letter of Intent.

1.4 Amended and Restated Development Agreement. The Original Development Agreement was subsequently amended to include the provisions described in paragraph 1.2 herein, by that certain Amended and Restated Development Agreement between the City of Chula Vista and The EastLake Company, LLC and recorded in the official records of the County of San Diego



on April 5, 2000 as Document Number 2000-0173440 (the "Amended and Restated Development Agreement").

1.5 Second Amended and Restated Development Agreement. The parties intend to amend the Amended and Restated Development Agreement herein referred to as the Second Amendment and Restated Development Agreement (herein referred to as the "Second Amended Development Agreement" or "Agreement") . The parties intend this Second Amended Development Agreement to supersede and replace the Amended and Restated Development Agreement in its entirety.

1.6 City's Authority to Enter into Development Agreement. City, as a charter city, is authorized under Resolution No. 11933, California Government Code 65864, et seq., its Charter, and its self-rule powers to enter into binding development agreements with persons having legal or equitable interests in real property for the purposes of assuring, among other things, (i) certainty as to permitted land uses in the development of such property, (ii) the construction of adequate public facilities to service such property, and (iii) the provision of equitable reimbursement for the construction of public facilities of excessive size or capacity.

1.7 The Property; Developer's Interest. Developer is the owner of the Property depicted in Exhibit A-1 and described in Exhibit A-2, both of which are attached hereto and incorporated herein (the "Property"). The development of the Property, which consists of projects commonly known as EastLake Trails, Panhandle Site, EastLake Woods, EastLake Vistas, an expansion of the EastLake Business Center, the Olympic Training Center and the Land Swap Parcel, is the subject of this Agreement. Developer is master-planning the Property as the third phase of the EastLake Planned Community. Developer represents that it is the owner of the Property and that all other persons holding any legal or equitable interest in the Property will be bound by this Agreement.

1.8 Benefits to City. As facilitated by this Agreement and the previous Development agreements with Developer described herein, the construction of the EastLake III General Development Plan Area and the Land Swap Parcel pursuant to the General Development Plans and Text and the Municipal General Plan of City, as well as the anticipated public facilities required by the Public Facility Financing Plan, will result in the design, financing and construction of millions of dollars of public facilities and amenities in conjunction with the development of residential, commercial, recreational and open space uses. Specifically, , City will derive or have received the following benefits:

1.8.1 The funding of construction of park facilities meeting City's requirements in accordance with City's Ordinances and this Agreement; and

1.8.2 The funding or construction of streets designed to provide adequate and safe transportation to its residents; and





1.8.3 Developer has completed the donation of approximately 150 acres with a market value in excess of Thirteen Million Dollars (\$13,000,000.00) as a site for the Olympic Training Center; and

1.8.4 Developer has contributed Three Million Dollars (\$3,000,000.00) in capital contributions and approximately Eight Million Dollars (\$8,000,000.00) in public infrastructure to the San Diego National Sports Foundation and the U.S. Olympic Committee towards the provision of the Olympic Training Center, and the extension of municipal services necessary for the site's operation; and

1.8.5 Developer has contributed advance funding for park facilities of no less than One Million Three Hundred Ninety-One Thousand Two Hundred Sixty Dollars (\$1,391,260.00) following the approval of the first residential tentative map for EastLake Trails; and will contribute Two Million One Hundred Thirty-Five Thousand Dollars (\$2,135,000.00) for the first residential map in EastLake III (other than Eastlake Trails) as against the Project's ultimate PAD Fees; and

1.8.6 Sewer, water, sales tax and property tax revenues; and

1.8.7 Developer's contribution towards the provision of facilities of regional significance both within and outside the boundaries of the Property.

1.9 Intentions of Parties in Entering into This Agreement. Developer and City intend to enter into this Agreement for the following purposes;

19.1 To assure Developer's participation in the construction and financing of public facilities pursuant to one or more Financing Plans which shall be formulated prior to the commencement of any private or public construction activities on the Property; and

1.9.2 To provide Developer with certainty that the land use regulations and policies applicable to the development of the Property will remain unmodified during the term of this Agreement except as provided for herein; and

1.9.3 To assure Developer of its vested right to proceed with the development of the Property to the land uses, densities and intensity of uses as provided below; and

1.9.4 To assure Developer that Future Discretionary Reviews and Approvals, when granted by City, shall become, for purposes of this Agreement, Existing Project Approvals; and

1.9.5 Developer has provided 150 acres of land, Three Million Dollars (\$3,000,000.00) in capital and approximately Eight Million Dollars (\$8,000,000.00) in public infrastructure to the benefit of the San Diego National Sports Foundation and/or the U.S. Olympic



Committee, in return for such donation and the other covenants contained herein as the total consideration for the vesting of Developer's rights herein, including the vesting of Existing Project Approvals of Future Discretionary Reviews and Approvals upon their granting by City, without the need for further consideration or compensation to City in return for such vesting.

1.10 Adoption of Ordinance Approving Agreement. The Original Development Agreement was first introduced on February 6, 1990, and on February 27, 1990, the City Council adopted Ordinance No. 2356 approving the Original Development Agreement. The Amended and Restated Development Agreement was first introduced on February 1, 2000, and on February 22, 2000, the City Council adopted Ordinance No. 2805 approving said Agreement. The Ordinance took effect on March 23, 2000. The Second Amended and Restated Development Agreement was first introduced on October 9, 2001 and on October 23, 2001 the City Council adopted Ordinance No. 2846 approving this Agreement. The Ordinance took effect on Nov. 21, 2001.

1.11 Findings of City Council. The City Council has found that this Agreement is consistent with City's General Plan and all applicable mandatory and optional elements thereof, the General Development Plans and Text for the Property, as well as all other applicable policies and regulations of City.

2. Definitions. In this Agreement, unless the context otherwise requires:

2.1 "Builder" or "Merchant Builder" means a developer to whom Developer has sold, leased or conveyed property within the Property for the purpose of its improvement for residential, commercial or industrial use.

2.2 "City Council" means the City Council of the City of Chula Vista.

2.3 "Commit" means all of the following requirements have been met with respect to any public improvement.

2.3.1 All discretionary permits have been obtained for construction of the improvement;

2.3.2 Plans for the construction of the improvement have all the necessary governmental approvals; and

2.3.3 Adequate funds (i.e., letters of credit, cash deposits or performance bonds) are available such that City can construct the improvement if either (I) construction has not commenced within 30 days of issuance of a notice to proceed by the Director of Public Works, or (ii) construction is not progressing towards completion in a manner considered reasonable to the Director of Public Works.

2.4 "Developer" means The EastLake Company, LLC, a California limited



liability company as successor-in-interest to EastLake Development Company, a California general partnership, and the legal persons to which or to whom it may assign all or any portion of its rights under this Agreement.

2.5     “Developer’s Donations to the Olympic Training Center” or “Developer’s Donations” consisted of donation of (i) 150 acres of property, (ii) Three Million Dollars (\$3,000,000.00) in working capital, and (iii) approximately Eight Million Dollars (\$8,000,000.00) worth of infrastructure improvements, or other such donations of land, working capital and public infrastructure for the provision of the Olympic Training Center, as Developer and the U.S. Olympic Committee and/or the San Diego National Sports Foundation have agreed to or may agree to from time to time in their sole discretion.

2.6     “Effective Date” shall be the date upon which the Ordinance approving this Agreement will first take effect pursuant to the laws of the State of California, as described in Section 1.10 above.

2.7     “Existing Approvals” or “Existing Project Approvals” shall mean all discretionary approvals and/or standards which have been approved in conjunction with or preceding the approval of this Agreement, as they relate to both the Project and the public improvements, consisting of, but not limited to:

2.7.1   The “General Development Plans and Text,” consisting of two General Development Plans (EastLake II and EastLake III), as amended and Text adopted for the Property as they existed as of the date of first introduction of this Agreement;

2.7.2   The EastLake III Planned Community District for the Property set forth in Ordinance No. 2345;

2.7.3   The EastLake Trails SPA and Tentative Map and Final Map approvals;

2.7.4   The EastLake Greens SPA and its amendment adopted on November 24, 1998,

2.7.5   The “General Plan,” as it existed as of the date of the first introduction of this Agreement as provided in Section 1.10 above, including the EastLake III General Plan Amendment and GPA-90-04, which was adopted by Resolution No. 15506 on February 6, 1990, and the General Plan Amendment GPA-01-07 adopted by Resolution No. 2001-220 on July 17, 2001

In addition, the Existing Project Approvals and further discretionary reviews and approvals shall include the “General Plan” and upon approval by City and written acceptance by Developer, all “Future Discretionary Reviews and Approvals.”



2.8 "Financing Plans" means one or more Public Facility Financing Plans that have been adopted as part of the SPA 's as set forth on Exhibit A-3 and will be adopted as part of Future Discretionary Approvals, which (i) set forth a list of various public facilities which Developer must build or fund in part and the phases, time frame or cumulative levels of Project development at which specified public facilities must be assured prior to the construction of the next phase of the Project, and (ii) provide for the attainment of the "Quality of Life Thresholds".

2.9 "Future Discretionary Reviews and Approvals" means the approval by City of all future discretionary permits and entitlements (excluding then Existing Approvals), including, but not limited to (i) General Plan Amendments, General Development Plan and SPA Plan(s), (ii) Master Tentative Map(s), (iii) grading permit(s), (iv) site plan review, (v) design guidelines and review, (vi) precise plan review, (vii) resubdivision of areas previously subdivided pursuant to the Master Tentative Map, (viii) the planned community district regulations, and (ix) the issuance of conditional use permits, variances, and encroachment permits, all other permits, and approvals of any type which may be required from time to time to authorize the construction of on-site or off-site facilities required to construct the Public Improvements and/or the Project.

2.10 "General Development Plans and Text" means the General Development Plan and Text adopted for EastLake III, Resolution No. 2001-220, dated July 17, 2001 and that portion of the General Development Plan and Text adopted for EastLake II relating to EastLake Trails adopted by City pursuant to Resolution No. 15413 dated December 5, 1989, and Resolution No. 15198 dated July 26, 1989, respectively, regulating the development of the Property and authorizing various land uses; also means EastLake II GDP Amendment and text for EastLake Trails and the Land Swap Parcel adopted on , November 24, 1998, all as listed on Exhibit A-3.

2.11 "Growth Management Ordinance" means the following policies and standards intended to regulate the timing and phasing or rate of growth within the City: the Growth Management Element adopted by City Council Resolution No. 15592 on April 17, 1990, an ordinance adopted by the City Council on May 28, 1991, and the Growth Management Program adopted by City Council Resolution No. 16101, on April 23, 1996.

2.12 "Municipal Code" means the provisions of the Chula Vista Municipal Code in existence and in effect on the date of the first reading of this Agreement as an Ordinance by City.

2.13 "Municipal General Plan" or "General Plan" mean all mandatory and optional General Plan elements pursuant to California Government Code § 65302, et seq., in existence on the date of the first reading of this Agreement as an Ordinance by City (subject to the provisions of Sections 2.7 and 4.8), including, without limitation, the EastLake III General Plan Amendment.

2.14 "Olympic Training Center" means the U.S. Olympic Training Facility Center which is constructed on property donated by Developer located adjacent to the west of lower Otay Lakes.





2.15 "PAD Fees" means any Parkland Acquisition and Development Fees which would apply and be payable in conjunction with the approval of the final maps within the Project in such amounts as may be payable pursuant to the provisions herein.

2.16 "Planned Community District Regulations" means the regulations adopted to implement any SPA pursuant to the Chula Vista Municipal Code §§ 19.48.010 through 19.48.140.

2.17 "Planning Commission" means the Planning Commission of the City of Chula Vista.

2.18 "Project" means the physical development of the Property as set forth in the General Development Plans and Text and the General Plan for the area.

2.19 "Property" means the real property lying within the developments which include the neighborhoods and projects commonly known as the Land Swap Parcel, EastLake Trails, EastLake Woods, EastLake Vistas, the EastLake Business Center Expansion and the Olympic Training Center. Such real property is more specifically depicted in Exhibit A-1 and described in Exhibit A-2.

2.20 "Public Improvements" means those public facilities or improvements required by City to be completed or funded by Developer pursuant to the Municipal General Plan, the General Development Plans and Text, any Financing Plan, Tentative Map or other applicable approval, permit, plan, ordinance or regulation.

2.21 "Quality of Life Thresholds" mean those certain Quality of Life thresholds and/or standards as set forth in Municipal Code Section 19.19.040 and as amended from time to time requiring the construction or development of certain facilities to provide desired levels of service to the public.

2.22 "SPAs" means the Sectional Planning Area Plan or Plans to be prepared and approved by City for the purpose of implementing the General Development Plans and Text for the Property in accordance with the Chula Vista Municipal Code §§ 19.48.090 through 19.48.140

2.23 "Substantial Compliance," for the purposes of this Agreement and the periodic review hereunder, shall mean that the party of whom some particular performance is required has sufficiently followed the terms of this Agreement so as to carry out the intent of the parties in entering into this Agreement.

2.24 "Tentative Map(s)" shall refer to any tentative subdivision map(s) for the Property. The term "Final Map(s)" shall refer to any final subdivision map(s) approved pursuant to such tentative subdivision map(s).



3. Description of Property. The Property consists of approximately 1,517 acres in area and is located approximately 7.5 miles east of downtown Chula Vista and 7 miles north of the United States/Mexican border.

4. Vested Right. In consideration of both (i) Developer's pledge to participate in the construction and financing of public facilities in accordance with the Financing Plan(s) that have been developed or will be developed jointly by City and Developer, all as more particularly described in Section 6 below, and (ii) Developer's Donation of land, financial support and public infrastructure for the Olympic Training Center, Developer, by this Agreement, is vested with the right to develop and maintain the Property pursuant to the provisions set forth in this Section 4. Such right to develop, use and maintain the Property shall not be abridged or modified during the term of this Agreement except as specifically provided for herein. Once future discretionary approvals are obtained, they shall be vested to the same extent as the existing project approvals.

4.1 Right to Develop. Developer and any merchant builders to whom Developer may sell, lease or convey any portions of the Property shall have the right to develop the Project for the land uses and to the densities and intensities of land use set forth in the Existing Project Approvals.

4.2 Maximum Height and Size of Structures. The maximum height and size of structures to be constructed within the Project will be governed by any adopted SPA for the area in question.

4.3 Permitted Uses. The Property will be developed as a part of a planned community consisting of residential neighborhoods, commercial development, industrial/business park(s), recreational facilities, school sites, park sites and open space uses, as are more particularly described and authorized by the General Development Plans and Text and the existing Municipal General Plan for the Property and other Existing Approvals, as they may from time to time be further defined upon approval by City of any Future Discretionary Reviews and Approvals in accordance with Section 2.9 above, as well as such other existing land uses as may be mutually agreed upon by the parties.

4.4 Permitted Density and Intensity of Development. City hereby authorizes the Property to be developed to the maximum density or intensity of development specified in the General Development Plans and Text, Municipal General Plan and the Existing Approvals as they may, from time to time be amended and/or expanded, during the term of this Agreement subject to any limitations contained therein; provided, however, that City and Developer acknowledge that the Project (excluding the Land Swap Parcel) was authorized to develop no less than 3,204 dwelling units throughout the Property. As of the date of this Agreement, Developer has entitlements in accordance with Existing Project Approvals for development of 1,143 units in the EastLake Trails portion of the Project and 2,061 units in the EastLake Vistas and the EastLake Woods portions of



the Project. The number of units set forth herein may be adjusted in accordance with Density Bonus Agreements or amendment to Existing Project Approvals as approved by the City. In addition, City agrees to authorize for development 750 dwelling units for the Land Swap Parcel, as set forth in the (EastLake Greens SPA) Existing Project Approvals. Developer may be entitled to develop the remaining 117 dwelling units provided, however, a transfer of unused units is approved by City. Notwithstanding the foregoing, Developer understands that such transfer of unused units requires an amendment to the Existing Project Approvals and is subject to approval or denial by the City Council in its sole discretion as the legislative body for City.

4.4.1 Low or Moderate Income Housing. City acknowledges that low and moderate income housing may be economically impracticable to build at current density levels. City agrees that it will consider granting Developer density bonuses and/or other incentives in the event that City desires Developer to provide such low or moderate income housing and that, in such event, City shall comply with all applicable requirements of law.

4.5 Application of New Rules, Regulations and Policies. City may, during the term of this Agreement, apply to the Project, Public Improvements and/or the Property only such new development fees, rules, regulations and policies, ordinances or standards which are generally applicable to all private projects east of I-805. It is the intent of the parties that the application of such rules, regulations and policies, ordinances or standards will not prevent the development of the Property to the uses, densities or intensities of development specified herein, or as authorized by the Existing Approvals.

4.6 Modification of Approvals, Standards and Obligations. It is contemplated by the parties that City and Developer may mutually agree to modifications to the Existing Project Approvals, public infrastructure requirements, or other modifications to the Project. Upon approval by City and written acceptance by Developer following City's approval, such modification(s) shall supersede any inconsistent Existing Project Approval(s).

4.7 Benefit to Earlier Vesting. Nothing in this Agreement will be construed as adversely affecting Developer's obtaining a vested right to continue development and/or use of the Property, if any, in the manner specified in this Section 4, pursuant to the provisions of California's constitutional, statutory and/or decisional law.

4.8 Application of a Growth Management Ordinance. The Growth Management Ordinance and Quality of Life Thresholds shall apply to the timing and development of the Property. The City may make such changes to the City's Growth Management Ordinance and to the City's Quality of Life Thresholds applicable to the Project as are reasonable and consistent with the purpose and intent of the existing Growth Management Ordinance and which are generally applicable to all private projects east of I-805.

4.9 Growth Management Ordinance. Developer shall Commit the public facilities



and City shall issue building permits in accordance with Existing Project Approvals and Future Discretionary Review and Approvals. The City shall have the discretion and the right to withhold the issuance of building permits any time after the City reasonably determines a Quality of Life Threshold has been exceeded, unless and until the deficiency has been mitigated in accordance with the City's Growth Management Ordinance.

Developer agrees that building permits may be withheld where the public facilities described in the Existing Project Approvals or Future Discretionary Approvals required for a particular Quality of Life Threshold have not been Committed.

In the event a Quality of Life Threshold is not met and future building permits issuance may be withheld, the notice of provisions and procedures contained in Section 19.09.100 of the Municipal Code will be followed. In the event the issuance of building permits is suspended pursuant to the provisions herein, such suspension shall not constitute a breach of the terms of this Agreement by Developer or City. Furthermore, any such suspension which is not caused by the actions or omission of the Developer, shall toll the term of this Agreement and suspend the Developer's obligations pursuant to this Agreement for the period of time the issuance of building permits are suspended.

5. Development Program and Processing.

5.1 Processing of Applications and Permits. City agrees to accept for processing, consideration and approval, denial or conditional approval all Developer's applications for Future Discretionary Reviews and approvals for the Property.

5.2 Length of Validity of Tentative Subdivision Map(s). It is understood by the parties to this Agreement that, pursuant to existing law, a tentative subdivision map may remain valid for the length of term of this Agreement, all as provided in California Government Code § 66452.6(a). City, therefore, in accordance with the provisions of this Agreement, agrees that the Master Tentative Map shall remain valid for a term equal to the longer of the term of the Master Tentative Map as it is determined and may be extended by the provisions of California Government Code § 66452.6 or the length of this Agreement; provided, however, that the term of the Master Tentative Map shall not exceed the maximum allowed by law. No new condition shall be added to any map as a condition of its extension.

5.3 Vesting Tentative Map. Developer may, at its option, process with City a vesting tentative map covering the Property which shall, upon approval, confer upon Developer a vested right to proceed with development of the Property in substantial compliance with the ordinances, policies, and standards described in California Government Code § 66474.2. City will accept the processing and review of such a vesting tentative map covering the Property submitted by Developer to City.





5.4 Parcel Map. City shall accept for processing, and take action upon, a parcel map for the Property, within the timeframes set forth in the state Subdivision Map Act, in order to assist Developer's acquisition of the Property. Developer acknowledges that approval of such map shall not limit City's right in the future, upon the Property's resubdivision, to impose conditions to its further subdivision.

6. Urban Infrastructure.

6.1 Dedications and Reservations of Land for Public Purposes. The portions of the Property to be reserved or dedicated for public purposes shall be: (i) those portions which are required to be dedicated pursuant to any tentative subdivision map and (ii) those portions which are required for the construction of all major road, sewer, drainage or other public rights of way in accordance with the standards in existence for subdivisions adopted by City at the time of the approval of any tentative subdivision map(s) for the Property and such further and additional areas of public reservation or dedication which may be required for the construction of public facilities to mitigate the impacts of the development of the Property pursuant to any Financing Plan adopted in conjunction with any SPA and/or tentative map for the Property.

6.1.1 Parks. In consideration for the vesting of Existing Project Approvals or the Future Discretionary Reviews and Approvals upon their granting by City, Developer agrees to dedicate lands, pay PAD Fees and/or construct park facilities as follows and as provided for in Section 6.1.2 below:

6.1.1.1 Developer may construct one or more private parks within the Property. City, acting through the City Council, may consider Developer's application for any PAD credit available to Developer under this Agreement at the time of consideration of the SPA and/or tentative map for the applicable area; and

6.1.1.2 City acknowledges and agrees that Developer has fulfilled PAD requirements for the 750 multi-family dwelling units planned for the Land Swap Parcel through transferring excess park credits from the EastLake Greens SPA to fulfill the requirements for the Land Swap Parcel; and

6.1.1.3 City acknowledges and agrees that Developer will pay \$2,579,680 for the development portion of the PAD Fee Advances, as defined below, for EastLake Trails consisting of 1,143 dwelling units and offered for dedication to City, the Salt Creek Community Park consisting of 23.26 acres which completes the acquisition portion of the PAD fee for EastLake Trails and is in excess of the 5.96 acres required. Developer understands and agrees that the City may require the Developer to regrade portions of the Salt Creek Community Park. The amount of \$150,000.00 of the cost of such regrading will be born by the Developer. The remaining costs shall be reimburseable as park improvement costs; and



6.1.1.4 City acknowledges and agrees that Developer has received SPA Plan and tentative map approval for EastLake Trails which contains and designates the Salt Creek Community Park for which Developer shall receive park credit of 19.8 acres, in the configuration set forth in the Eastlake Trails SPA Plan. EastLake's obligation to construct Salt Creek Community Park is equal to the development of the PAD fee from the Trails (\$2,579,680) as may be adjusted if additional units are, approved by the City plus 7 acres of improvements of \$2,127,875 as adjusted by the ENR, in accordance with the method described in paragraph 6.1.2.3 commencing from the date of this agreement until bonds have been posted in accordance with City requirements, for construction of said park. Upon the written request of the City, Developer shall provide the City with written documentation verifying the actual cost of construction of said park. Developer agrees to provide such information as needed by the City to verify the actual cost of the park improvements. This community park, when completed in accordance with a park development plan approved by City, will fulfill the EastLake Trails park acreage obligation and complete the outstanding park acreage obligations held over from EastLake I and EastLake II as described in: (a) The EastLake Park Agreement which was adopted by the City Council on August 8, 1989, pursuant to Resolution No. 15225 ("Park Agreement"), (b) Agreement Between City of Chula Vista and EastLake Development Company Regarding Resolution of Dispute Regarding Outstanding Park and Recreation Facility Issues dated March 20, 1996 ("Dispute Agreement"), 8 Escrow Agreement between City of Chula Vista and EastLake Development Company Regarding Resolution of Dispute of Outstanding Park and Recreation Facility Issues dated March 20, 1996 ("Escrow Agreement"), and (d) Amended and Restated Development Agreement dated February 1, 2000

6.1.1.5 Developer's remaining park acreage obligation for EastLake III shall be limited to 18.25 acres of improved park land as approved by City. This obligation will be adjusted if the number of dwelling units changes from that allowed in the current EastLake III General Development Plan approved by the City or if the PAD Ordinance is amended in a manner that effects EastLake's park obligations. Of the 18.25 obligation, the City and Developer have entered into an Agreement with Pacific Bay Homes (agreement dated December 12, 2000 and approved by the City by Resolution No. 2000 - 477) satisfying 5.6 acres of this obligation through the acquisition of land from Pacific Bay Homes and a cash payment for the park improvement in accordance with the terms of said agreement.

6.1.2 PAD Fee Advance(s). In addition to the dedication of lands and/or construction of park facilities by Developer, Developer shall pay to City, in advance of the time that such fees would normally be payable, PAD Fees in the amounts, at the times, and subject to the conditions set forth in this Section 6.1.2 ("PAD Fee Advance(s)"). City may, as an alternative to requiring the payment of any PAD Fee Advances, request Developer to build park facilities of an equivalent cost, as such cost may be adjusted as provided below.

6.1.2.1 Developer will complete a PAD Fee Advance in the amount of \$2,579,680.00 in accordance with the terms of this Agreement, and offered 23.26 acres of land



for dedication to City for the PAD fees due from EastLake Trails in accordance with the approved plans, adjusted as provided below. PAD Fee Advances for Phase II of EastLake Trails project shall be paid by Developer within 60 days following the City Council's approval of the tentative map for Phase II of EastLake Trails or upon demand in writing by City; and Developer shall make a PAD Fee Advance in the amount of Two Million One Hundred Thirty-Five Thousand Dollars (\$2,135,000.00), adjusted as provided below, within 60 days following City's written request therefor, which request may be made at any time following City's approval of the first tentative map within the EastLake III development, exclusive of the EastLake Trails neighborhood and the Olympic Training Center.

6.1.2.2 Immediately upon City's receipt of any PAD Fee Advances, City shall establish and confirm in writing a credit in favor of Developer, in the amount of the PAD Fee Advance(s) received, as against the ultimate PAD Fees applicable to the Project, if any, at the time of issuance of building permits ("PAD Fee Credit"). Any PAD Fee Credit established in favor of Developer may be assignable to any merchant builder to whom Developer sells, leases or conveys any portion of the Property at Developer's option. In the event that the PAD Fee Advances made by Developer are less than the amount of PAD Fees actually payable by the Project at the time of final map approval (i.e., upon the exhaustion of the PAD Fee Credit), Developer shall pay to City the additional PAD Fees at the time that final maps are approved. In no event shall any adjustment to the PAD Fee Advance be applied retroactively to require the payment of any additional PAD Fee with respect to any residential dwelling unit after a building permit has been pulled for such dwelling unit and Developer has paid the additional PAD Fees as provided immediately above.

6.1.2.3 The amount of the PAD Fee Advance or the equivalent amount of park facilities to be built by Developer shall be adjusted upward or downward, from the amounts set forth in Sections 6.1.2.1 and 6.1.2.2 above, throughout the term of this Agreement, beginning upon the effective date of the Original Development Agreement and concluding at such time that the PAD Fee Advance is paid or that Developer Commits to the construction of park facilities of equivalent cost. The adjustment shall be based upon an application to such amounts of an index figure which is intended to reflect the change in the anticipated cost of providing the park improvements. The index figure used shall be the figure published in the "ENR Market Trends" section of Engineering News Record for a category of cost of construction indices listed therein, reflecting increases in the cost of construction within such category, to be mutually agreed upon as the most appropriate category by the parties ("ENR Index"). The ENR Index figure to be for adjusting the PAD Fee Advance pursuant to Section 6.1.2(I) and (ii) above, shall be the ENR Index figure published most recently preceding such event.

6.1.2.4 Notwithstanding anything in this Section 6.1 to the contrary, in no event shall the PAD Fee Advance made by Developer pursuant to Section 6.1.2(I) and (ii) above or the estimated cost of the facilities Committed to by developer as an alternative thereto exceed the amount of PAD Fees which would be payable by Developer for the areas of the Project



proposed for development based upon (a) the estimated number of residential units proposed within such neighborhood(s) and (b) City's PAD Fee ordinances then in existence.

6.1.2.5 Notwithstanding anything in this Section 6.1 to the contrary, in no event shall the term of any indexing hereunder extend further than the earliest to occur of the conclusion of the term of this Agreement or the earlier termination of this Agreement.

6.1.3 Developer Duty to Fund Community Center Escrow. The parties hereby acknowledge the existence of an escrow ("Community Center Funding Escrow" or alternatively herein "Escrow") and designate City as the escrow holder thereof. Developer agrees to fund said Escrow in the amount of \$880,738, plus interest as hereinafter described, on the earlier of (i) June 1, 2002, or (ii) within 90 days of City's written request. Interest on the amount of \$880,738 shall accrue from July 1, 1999 to the earlier of (i) Developer's funding of the Escrow, or (ii) June 1, 2002. The interest accrual rate shall be the rate of the City's average quarterly interest earnings rate on the City's Investment Pool of funds as reasonably determined quarterly by the Finance Director. No interest shall accrue after June 1, 2002, regardless of whether Developer has funded the Escrow. Developer has secured its obligation to fund said Escrow with a bond from a surety which City has deemed sufficient, and of a form acceptable to City.

6.1.4 City's Community Center Duty. Upon funding of the Escrow by Developer as herein required, City shall waive any claim it may have to require Developer to construct a Community Center for the EastLake Project. Further City promises Developer that City will apply proceeds of the Escrow to the design and construction of a community center, and for no other purpose without the consent of Developer, according to the following terms and conditions (City's obligations set forth in this Section may be herein referred to as "City's Community Center Duty"):

6.1.4.1 Timing. City shall commence construction of the Community Center no later than 18 months after Developer funds the Escrow as herein required ("Construction Commencement Date"). The parties may agree in writing to a later Construction Commencement Date.

6.1.4.2 Site and Location Option. The Community Center shall be built on such portion of the Salt Creek Community Park as City shall designate, at City's sole option, unless (i) Developer has not purchased, has lost, or does not have an option to purchase said Salt Creek Community Park site or (ii) City's contribution to the costs of the Community Center (other than land) from other than the proceeds of Developer's funding of the Escrow exceed such funding by Developer, in which case the Community Center may be built at any location of City's choosing in the City of Chula Vista east of I-805 ("Eastern Territories") outside of the EastLake development area.

6.1.4.2.1 Requirements Relating to Location Option.





6.1.4.2.1.1 Time to Exercise. City shall notify Developer of the location of the Community Center one year in advance of the commencement of Construction , as same may be deferred from time to time.

6.1.4.2.1.2 Secure Title; Owner's Commitment. After City notifies Developer of the location of the Community Center, and if Developer owns the land City requires, Developer shall transfer title thereto without additional compensation therefor on demand by City. If the land on which City proposes to locate the Community Center is not owned by Developer but is owned by Western Salt or a successor thereto, the Developer shall, in good faith, request Western Salt, or the then owner, to commit, upon such notification of City's location selection, to transfer title to City. If for any reason they are unwilling or unable to expeditiously do so in order to meet the construction schedule of City, City shall be relieved of the constraint of having to locate the Community Center in the EastLake Project and may build the Community Center anywhere in the Eastern Territories. Nothing in this Agreement shall be construed or interpreted as having the effect of requiring the current property owner (Western Salt) or its successors (excluding Developer) as having an obligation to provide for or make accommodations for the Community Center. Nothing herein shall be interpreted or deemed as a surrender of City's power of eminent domain, and nothing herein shall be deemed to surrender the power to charge and collect a development impact fee or park fee or other assessment or exaction associated with development.

6.1.4.2.1.3 Developer's Right to Request Deferral of Construction Date, Upon Exercise. Developer shall have the right to request a delay in the Construction Commencement Date until Developer has acquired the property through its acquisition and development of the land within EastLake III located south of Otay Lakes Road and east of Hunte Parkway. If extended by City, it shall be on such terms and conditions as the parties deem appropriate.

6.1.4.2.1.4 Park Size. The Salt Creek Community Park Site shall remain in the size and configuration set forth in the EastLake Trails SPA Plan regardless of the location of the Community Center, or construction of a gymnasium as provided in Section 6.1.4.2.1.5. .

6.1.4.2.1.5 Effect on Gym Duty. The City may, at its sole discretion, construct a gymnasium in the same vicinity as, or contiguous to, the Community Center in Salt Creek Park.

6.1.4.3 Contribution of Parties to Costs. If Developer funds the Escrow at the time and in the manner herein required, Developer shall not be required to bear or advance the costs for the design and construction of the Community Center, which shall be borne by City.



6.1.5 Developer's Community Center Park Duty Satisfied. Effective upon funding of the Escrow by Developer as herein required, according to its terms, the parties acknowledge that Developer shall have satisfied any duty it may have had to construct a community center within the EastLake Project.

6.1.6 PAD Fee Credits for Community Center Costs. At such time as Developer funds the Escrow, as herein required, it will be entitled to a PAD fees credit, in dollars, as determined by City in the manner herein provided against Developer's duty to pay the then-prevailing PAD Fees ("Community Center PAD Fees Credit") thereafter when due for the mapping and development of subsequent units within the area of EastLake III or the Land Swap Parcel.

6.1.6.1 Calculation of Community Center PAD Fees Credit. The amount of the Community Center Pad Fees Credit shall be \$800,000 times a fraction the numerator of which are the units entitled by City to be developed within ELIII and the Land Swap Parcel and the denominator of which is the total number of units entitled by City to be developed within the entire EastLake area (i.e., EL I-Hills and Shores, EL II-Greens, EL III, and the Land Swap Parcel), and then adding to the product thereof the sum of \$100,000; but in no event shall the amount of the Community Center PAD Fees Credit exceed \$468,000.

6.1.6.1.1 Example of Calculation. For purposes of example only, assuming the following represent the number of units for each SPA area City has entitled Developer to develop:

<u>Development Area</u>	<u>Units</u>
EL Hills & Shores	1,823
EL Greens	2,500
EL III	2,932
Landswap	<u>750</u>
Total	<u>8,005</u>

the Community Center PAD Fees Credit to which Developer would be entitled would be \$467,970, determined as follows  $(3,682/8,005 \times \$800,000) + \$100,000 = \$467,970$  (This example is for illustrative purposes only and may not reflect actual unit counts for the development areas.)

6.1.6.1.2 Credit for PAD Fee Advance(s). The Community Center PAD Fees Credit shall be used to offset the PAD Fee Advance(s) required pursuant to Section 6.1.2.

6.1.7 Total Obligations. The obligations in Sections 6.1.1 through 6.1.6 above shall constitute Developer's and the EastLake Planned Community's total park obligations for the areas encompassed within this Agreement, notwithstanding any future modification to the requirements or standards of City with respect to parkland dedications or the payment of in lieu fees.



Developer's obligations in Sections 6.1.1 through 6.1.6 supersede and replace in their entirety the Park Agreement and the Escrow Agreement. In consideration of the covenants herein, City agrees to waive any and all further PAD Fees otherwise applicable to the Project. The funds advanced pursuant to this section shall be used by City solely for park land acquisition and development purposes to mitigate Project impacts and the park needs of Project residents.

6.2 Public Facilities; Financing Plan, Requirements. City and Developer shall prepare one or more Financing Plan(s). Such Financing Plan(s) shall set forth (i) a description of public facilities and improvement projects needed to serve the Property, including facilities necessary to serve the Project and neighboring developments, (ii) the sequence and staging for build-out of the Property and other development projects which impact on standards for the development of the various public facilities and improvement projects, and (iii) the authorized methods of financing and the allocation of financial responsibility for the construction of the needed public facilities and improvement projects. Such Financing Plan(s) shall employ the Quality of Life Thresholds as the standard for determining the dimensions and timing of the development of public facilities and improvement projects necessary to serve the Property, including facilities necessary to mitigate the incremental impacts of the Project and neighboring development projects.

6.3 Assessment Districts or Public Financing Mechanisms. This Agreement and any Financing Plan(s) recognize that assessment districts, Mello Roos Community Facility Districts, or other public financing mechanisms may be necessary to finance the costs of Public Improvements borne by the Project. If Developer, pursuant to any Financing Plan, is required to install Public Improvements where such Financing Plan authorizes the use of assessment districts, Mello Roos Districts, or other public financing mechanisms, City may select the acceptable method of public financing, initiate and conclude appropriate proceedings for the formation of such financing district or funding mechanism, under the applicable laws or ordinances. Developer shall also have the right to request that City utilize, and City shall conduct (but shall not be required to approve) appropriate proceedings for any other financing methods which may become available under City or state laws or ordinances. All costs associated with the consideration and formation of such financing districts or funding mechanisms shall be advanced by Developer, subject to reimbursement as may be legally authorized out of the proceeds of any financing district or funding mechanism.

6.4 Schools. Developer has satisfied all of City's requirements with respect to the provision of school facilities pursuant to an agreement entered into between Developer and the Sweetwater Union High School District dated December 11, 1986, and an agreement entered into between Developer and the Chula Vista City School District dated December 9, 1986 (collectively, the "School Agreements"). City shall not further condition the development of the Property through the imposition of any further school fees or exactions of any nature whatsoever, and the School Agreements shall be conclusively deemed to mitigate any and all impacts upon school facilities from development of the Project and/or the Property.



6.5 Water. Water to the Property shall be provided by the Otay Water District. Developer and City acknowledge and agree to consider the construction of a water reclamation project on the Property. This Agreement will not preclude City ownership and operation of such a facility.

7. Indemnification and Insurance.

7.1 Hold Harmless. It is understood and agreed that City, as indemnitee, or any officer or employee thereof, shall not be liable for any injury to person(s) or property occasioned by reason of the acts or omissions of Developer (including any assignee of Developer, but only to the extent of specific improvements, acts or omissions of such assignee), its agents or employees, related to this Agreement. Developer further agrees to protect and hold harmless City, its officers and employees from any and all claims, demands, causes of action, liability or loss of any sort, because of the arising out of acts or omissions of Developer, (including any assignee of Developer, but only to the extent of specific improvements, acts or omissions of such assignee), its agents or employees, related to this Agreement. Such indemnification and agreement to hold harmless shall extend to damages or taking of property resulting from the construction of the Project and public improvements as provided herein or to adjacent property owners as a consequence of the diversion of waters in the construction and maintenance of drainage systems, and shall not constitute the assumption by City of any responsibility for such damages or taking, nor shall City by its approval of construction plans for the Project or the public improvements as provided herein, be an insurer or surety for the construction of the Project pursuant to such approved plans. The provisions of this Section shall become effective upon execution of this Agreement and shall remain in full force and effect for three years following the acceptance by City of each public improvement installed by Developer; such acceptance by City shall not be unreasonably withheld. This Section is not intended, nor shall it be construed, to require Developer or City to indemnify or hold the other harmless from their own negligent acts or omissions.

7.1.1 Indemnification. Developer shall indemnify and defend City in any lawsuit or claim which challenges City's approval of the Project, City's approval of this Agreement or the participation by City in this Agreement.

7.2 Insurance. Developer shall name City as an additional insured for all insurance policies obtained by Developer for the Project pertaining to Developer's activities and operation on the Project.

8. EastLake San Diego National Sports Training Foundation/United States Olympic Committee Commitments. Developer, as consideration for City's commitment to the land uses and intensities of development for the Property specified in Section 4 above (hereinafter "City's Commitment"), and in accordance with its agreements with such parties, (i) has conveyed a 150-acre site located generally in the southern portion of Otay Lakes to the San Diego National Sports





Foundation or the United States Olympic Committee, and (ii) has contributed Three Million Dollars (\$3,000,000.00) in working capital and approximately Eight Million Dollars (\$8,000,000.00) in infrastructure improvements to the San Diego National Sports Training (collectively, clauses "(i)" and "(ii)" above are hereinafter referred to as "Developer's Donations"). Developer has executed agreements effecting Developer's Donations. Developer's Donations are hereby declared to constitute sufficient consideration for City's Commitment and no further consideration from Developer shall be required for Developer to obtain the land uses and intensities of development for the Property specified in Section 4 above, whether through this Agreement, amendments to this Agreement, or agreements separate from this Agreement.

9. Binding Effect; Encumbrance of Property; Releases.

9.1 Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties' successors-in-interest.

9.2 Lender Notification. Any lender will receive written notification from City of any default by Developer under this Agreement which is not cured within 30 days if such lender requests such notification from City in writing; provided, however, that failure of City to provide such notification shall not limit City's rights under this Agreement.

9.3 Discretion to Encumber. Nothing in this Agreement will prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering all or any portion of the Property or any improvements thereon by any deed of trust or other security device.

9.4 Status. Each party will, upon 15 days prior written request, give written notice to the other party of whether the party giving the notice knows of any breach of this Agreement and its current understanding of the status of the parties' performance under this Agreement. A copy of any such notice which is sent to Developer shall also be sent to the holder of any institutional first trust deed encumbering the Project if such holder has made written request for notice and provided City with the holder's address for notice purposes.

9.5 Releases. Once the required Public Improvements are installed, City may release portions of the Property from this Agreement. All areas of the Property designated for residential custom home lot construction shall be released from this Agreement by City upon the request of any individual purchaser without any further consideration.

10. Annual Review; Notice. City will, once every 12 months during the term of this Agreement, pursuant to California Government Code § 65865.1, undertake a periodic review of the parties' compliance with the terms of this Agreement pursuant to the procedures set forth below. Developer shall present information with respect to Developer's good-faith compliance with Section 10.1. In addition to the information provided by Developer in accord with Section 10.1, City may request that Developer address additional issues with respect to Developer's good-faith



compliance with the terms of this Agreement. City shall deliver no less than 30 days' written notice to Developer prior to any hearing of any requirement City desires to be addressed, together with any applicable staff reports, in a manner sufficient for Developer to respond. Either party may address any requirement of this Agreement during the review period. If, at any time of review, any issue not previously identified in writing pursuant to this Section 10 is required to be addressed by City, the review at the request of either party may be continued to afford sufficient time for analysis and preparation. Such review by City may be conducted by the City Manager.

10.1 Information to be Provided Developer. Pursuant to California Government Code § 65865.1, Developer shall have the duty to demonstrate its good-faith compliance with the terms of this Agreement at each periodic review. Developer's duty to demonstrate may be satisfied (except for additional issues raised by City pursuant to Section 10) by the presentation to City of: (i) a written report identifying Developer's performance or the reason for its nonperformance or excused performance of the requirements of this Agreement, or (ii) oral or written evidence submitted at the time of review.

10.1.1 Substantial Compliance. The parties recognize that this Agreement and the documents incorporated herein could be deemed to contain thousands of requirements (i.e., construction standards, landscaping standards, et al.), and that evidence of each and every requirement would be a wasteful exercise of the parties' resources. Accordingly, Developer shall be deemed to have satisfied its duty of demonstration when it presents evidence of its good faith and substantial compliance with any issues requested to be addressed by City in accordance with this Section 10; substantial compliance with the major provisions of the Financing Plan(s) and SPAs, and compliance with the restrictions on the uses, number, type, lots and sizes of structures completed, and any required reservations and dedications to City. Generalized evidence or statements shall be accepted in the absence of any evidence that such evidence or statements are untrue.

10.2 Finding by City During Annual Review Period that Developer is in Default. If, during any annual review period, City, on the basis of substantial evidence, finds Developer has not, in good faith, complied with this Agreement, it will give Developer 30 days' notice of default pursuant to Section 11.

10.3 Delay in Annual Review. City's failure to review annually Developer's compliance with the terms and conditions of this Agreement shall not constitute or be asserted by City as a breach by Developer of any terms of this Agreement.

11. Default. If either party defaults under this Agreement, the party alleging such default will give the breaching party not less than 30 days' notice of default in writing. The notice of default will specify the nature of the alleged default, and, where appropriate, the manner and period of time in which such default may be satisfactorily cured. During any period of cure, the party charged will not be considered in default for the purposes of termination or institution of legal



proceedings. If the default is cured, then no default will exist and the noticing party will take no further action.

11.1 Option to Set Matter for Hearing or Institute Legal Proceedings. After proper notice and the expiration of the cure period, the noticing party to this Agreement, at its option, may (i) institute legal proceedings or (ii) schedule hearings before the Planning Commission and the City Council for a determination as to whether this Agreement should be modified, suspended, or terminated as a result of such default.

11.2 Waiver. Nothing in this Agreement shall be deemed to be a waiver by Developer of any right or privilege held by Developer pursuant to federal or state law, except as specifically provided herein. Any failure or delay by a party in asserting any of its rights or remedies as to any default by the other party will not operate as a waiver of any default or of any such rights or remedies or deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

11.3 Remedies Upon Default. In the event of default by either party to this Agreement, the parties shall have the remedies of specific performance, mandamus, injunction and other equitable remedies. Neither party shall have the remedy of monetary damages against the other; provided, however, that the award of costs of litigation and attorneys' fees shall not constitute damages based upon breach of this Agreement where such an award is limited to (i) the costs of litigation incurred by City, and (ii) the "fee" equivalent of City's costs for the services attributable to litigation and representation by the City Attorney, including assistants and staff.

12. Modification; Suspension; Termination.

12.1 Modification by Mutual Consent. This Agreement may be modified, from time to time, by mutual consent of the parties only in the same manner as its adoption by an ordinance as set forth in California Government Code §§ 65867, 65867.5 and 65868, and Resolution No. 11933 of City. The term "this Agreement" as used in this Agreement will include any such modification properly approved and executed.

12.1.1 Minor Modifications. The parties to this Agreement contemplate the periodic review and modification of the SPA(s), the provisions of the Financing Plan(s) and the terms and conditions of the Future Discretionary Reviews and Approvals. Such agreed upon modifications by the parties hereto are anticipated and shall not constitute an amendment to this Agreement or modification pursuant to this Section 12.1, but shall automatically be incorporated herein. In no event shall City require further consideration or compensation for the processing of any amendments which may be required to solemnify such modifications.

12.2 Emergency Circumstances. If, as a result of specific facts, events or circumstances, City finds, following the procedures outlined in this Section 12.2 and based upon the



preponderance of all evidence presented by the parties, that a severe and immediate emergency threat to the health and safety of the citizens of City requires the modification or suspension of this Agreement, City will:

12.2.1 Notification of Unforeseen Circumstances. Notify Developer of (i) the initiation of City's determination process, and (ii) the reasons for City's determination and all facts upon which such reasons are based; and

12.2.2 Notice of Hearing. Notify Developer in writing at least 14 days prior to the date, of such date, time and place of the hearing and forward to Developer, a minimum of ten days prior to the hearing described in Section 12.2.3, all documents related to such determination and reasons therefor; and

12.2.3 Hearing. Hold a hearing on the determination at which hearing Developer will have the right to address the City Council. At the conclusion of such hearing, City Council may take action to suspend this Agreement. City Council may suspend this Agreement if, at the conclusion of such hearing, based upon the evidence presented by the parties, City finds that the suspension of this Agreement is required to avoid an immediate and severe threat to the health, safety and general welfare of City; and

12.2.4 Unilateral Suspension. Where the citizens of City face a severe and immediate threat to their health and safety, City may unilaterally suspend the effectiveness of this Agreement for a period not to exceed the time reasonably required for notice and a public hearing.

12.3 Change in State or Federal Law or Regulations. If any State or Federal law or regulation enacted during the term of this Agreement or the action or inaction of any other affected governmental jurisdiction precludes compliance with one or more provisions of this Agreement, or requires changes in plans, maps, or permits approved by City, the parties will act pursuant to Sections 12.3.1 and 12.3.2.

12.3.1 Notice Meeting. The party first becoming aware of such enactment or action or inaction will provide the other party with written notice of such state or federal law or regulation and provide a copy of such law or regulation and a statement regarding its conflict with the provisions of this Agreement. The parties will promptly meet and confer in a good-faith and reasonable attempt to modify or suspend this Agreement to comply with such federal or state law or regulation. A copy of any such notice which is sent to Developer shall also be sent to the holder of any institutional first deed of trust encumbering the Project if such holder has made written request for notice and provided City with the holder's address for notice purposes.

12.3.2 Hearing on Supersession of Development Agreement. Thereafter, regardless of whether the parties reach agreement on the effect of such federal or state law or regulation, the matter will be scheduled for hearing before the City Council no sooner than ten days





following written notice of such hearing to Developer. The City Council, at such hearing, will determine the exact modification, suspension or termination which is required by such federal or state law or regulation, if any. Developer, at the hearing, will have the right to offer oral and written testimony regarding any proposed action by City. Any modification, suspension or termination of this Agreement is subject to judicial review.

12.4 Notice of Termination. In the event that this Agreement is terminated pursuant to any of the methods authorized herein this Section 12, City shall prepare and record a Notice of Termination containing a reference to this Agreement and the effective date of any such termination in a form suitable for recordation with the County of San Diego.

13. General Provisions.

13.1 Enforced Delay. Without modifying either party's right to allege a default under this Agreement, the failure to perform or a delay in performing the requirements of this Agreement by either party shall not constitute a default for purposes of this Agreement where such delay or failure to perform is directly caused by litigation by City against Developer or by a City-imposed moratorium on residential, commercial or industrial development.

13.2 Notices. All notices required by or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid, return receipt requested, to the principal offices of City and Developer. Notice shall be effective on the date delivered in person or the date when the postal authorities indicate that the mailing was delivered to the address of the receiving party indicated below:

<u>Notice to Developer:</u>	<u>With copy to:</u>
William T. Ostrem President, Chief Executive Officer The EastLake Company, LLC 900 Lane Avenue, Suite 100 Chula Vista, CA 91914	David E. Watson, Esq. Gray Cary Ware & Freidenrich 401 B Street, Suite 1700 San Diego, CA 92101
<u>Notice to City:</u>	<u>With copy to:</u>
City Manager City of Chula Vista 276 Fourth Avenue Chula Vista, CA 91910	City Attorney City of Chula Vista 276 Fourth Avenue Chula Vista, CA 91910

Such written notices may be sent in the same manner to such other persons and addresses as either party may from time to time designate by mail.



13.3 Joint and Several Liability. If either party consists of more than one legal person, the obligations are joint and several.

13.4 Severability. If any material provision of this Agreement is held invalid, this Agreement will be automatically terminated unless, within 15 days after such provision is held invalid, the party holding rights under the invalidated provision affirms the balance of this Agreement in writing. This provision will not affect the right of the parties to modify or suspend this Agreement by mutual consent pursuant to Section 12.1.

13.5 Recordation of Agreement; Amendments. All amendments hereto must be in a writing signed by the appropriate agents of City and Developer, in a form suitable for recording in the Office of the Recorder, County of San Diego. Within ten days of the effective date of this Agreement, a copy will be recorded in the Official Records of San Diego County, California. Upon Completion of performance of this Agreement or its earlier termination, a statement evidencing such completion or termination, signed by the appropriate agents of Developer and City will be recorded in the Official Records of San Diego County, California.

13.6 Applicable Law. This Agreement will be construed and enforced in accordance with the laws of the State of California.

13.7 Assignment. Developer may transfer its rights and obligations under this Agreement if such transfer or assignment is made as part of a transfer, assignment, sale or lease of all or a portion of the Property and City consents to such transfer. Such consent shall not be unreasonably withheld.

13.8 Term of Agreement. This Agreement shall expire on April 6, 2010.

13.9 Conflict. The provisions stated in this Agreement shall prevail should there be any conflict between this Agreement and the Financing Plan.

13.10 Covenant of Good Faith and Fair Dealing. Neither party shall do anything which shall the effect of harming or injuring the right of the other party to receive the benefits of this Agreement; each party shall refrain from doing anything which would render its performance under this Agreement impossible; and each party shall do everything which this Agreement contemplates that such party shall do in order to accomplish the objectives and purposes of this Agreement.

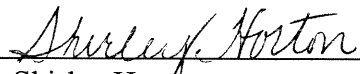
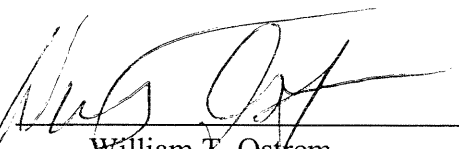
13.11 Supersede and Replace. This Agreement shall supersede and replace the Original Development Agreement, the Park Agreement, the Dispute Agreement and the Escrow Agreement in their entirety.

[NEXT PAGE IS SIGNATURE PAGE]




[SIGNATURE PAGE TO SECOND AMENDED AND  
RESTATEDEVELOPMENT AGREEMENT BETWEEN THE  
CITY OF CHULA VISTA AND THE EASTLAKE COMPANY,  
LLC]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above  
written.

<p>City:</p> <p><b>CITY OF CHULA VISTA,</b> a municipal corporation</p> <p>By: <u></u> Shirley Horton, Mayor</p>	<p>Developer:</p> <p><b>THE EASTLAKE COMPANY, LLC,</b> a California limited liability company</p> <p>By: <u></u> William T. Ostrem, President/CEO</p>
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I hereby approve the form and legality of the foregoing Amended and Restated  
Development Agreement this 16<sup>th</sup> day of October 2001.

  
John M. Kaheny,  
City Attorney



STATE OF California

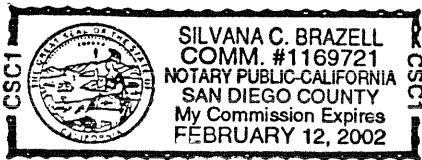
COUNTY OF San Diego

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SS:

On October 4, 2001, before me, Silvana C. Brazell, notary public,  
personally appeared William T. Ostrem,  
personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose  
name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the  
same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Silvana C. Brazell  
Notary Public